

James L. Fisher
 Martin R. Derx
 Smith D. A. Cobb
 John W. Rogers
 Allan P. Flagg
 Benjamin W. Cloud
 Vaughn Bailey
 Newcomb L. Damon
 Harold F. Fultz
 Learned L. Dean
 Ralph S. Barnaby, an additional number in grade.

TO BE LIEUTENANT COMMANDERS

Beverley R. Harrison, Jr.
 Kenneth P. Hartman
 Orville F. Gregor
 Lee R. Herring
 Eugene C. Rook
 Robert L. Campbell, Jr.
 George C. Towner
 William A. Hickey
 Thomas U. Sisson
 Ralph E. Wilson
 Merle A. Sawyer
 Leo A. Bachman
 William M. Cole
 James W. Smith
 Elmer E. Yeomans
 William G. Michelet
 Wallace M. Beakley
 Hallsted L. Hopping
 Maurice M. Bradley
 Lester K. Rice
 Stephen G. Barchet
 Shirley Y. Cutler
 Rae E. Arison
 Bob O. Mathews
 Ephraim R. McLean, Jr.
 Walter V. R. Vieweg
 Richard F. Stout
 Willford M. Hyman
 James G. Sampson
 Clyde W. Smith
 Charles W. Wilkins
 Bernard L. Austin
 Joseph M. P. Wright
 Norman W. Ellis
 James R. Pahl
 William J. Longfellow

TO BE LIEUTENANTS

Louis F. Volk
 John O. Miner
 Bafford E. Lewellen
 Frank G. Raysbrook

TO BE LIEUTENANT (JUNIOR GRADE)

Rodney J. Badger

TO BE MEDICAL DIRECTOR

Benjamin H. Dorsey

TO BE MEDICAL INSPECTOR

John B. O'Neill

TO BE DENTAL SURGEONS

Herman P. Riebe
 Eric B. Hoag
 Rae D. Pitton
 Clifford T. Logan
 Alvin F. Miller
 James L. Purcell
 Ralph W. Malone
 Frank K. Sullivan
 Arthur Siegel
 Hector J. A. MacInnis
 Alfred Dinsmore
 Edward H. Delaney

TO BE PAY DIRECTOR

Trevor W. Leutze

TO BE ASSISTANT CIVIL ENGINEERS

Charles H. Neel
 Ira N. Curtis

TO BE CHIEF BOATSWAIN

William R. J. Hayes

Andrew Crinkley
 Arthur L. Karns
 Ratcliffe C. Welles
 Alfred J. Byrholdt
 Charles A. Goebel
 James D. Barner
 Lucien M. Grant, an additional number in grade.
 John W. Roper
 Harry B. Slocum
 Charles E. Coney

TO BE CHIEF MACHINIST

John W. Perdue

TO BE CHIEF PHARMACIST

Vernon T. Palmer

TO BE CHIEF PAY CLERK

Charles A. Batchelder

POSTMASTERS

CALIFORNIA

Felix G. Young, Desert Center.
 Clota Boykin Bowen, Midland.

LOUISIANA

Golden D. Mizell, Forest Hill.

MASSACHUSETTS

Raymond V. McNamara, Haverhill.

NEW YORK

Daniel A. Driscoll, Buffalo.
 Gilbert W. Rosenquest, Jamaica.

OKLAHOMA

William A. Jenkins, Beggs.

HOUSE OF REPRESENTATIVES

THURSDAY, APRIL 13, 1939

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Once again, our Father in Heaven, Thou dost move us into another day. In these alternations of duty and thought, action and rest, may we realize Thy blessed providence. We pray that it may call us to our appointed tasks, filling the hours with steady, faithful service, full of interest and wise endeavor. Let us not fail to see the beauty of God in the patience, the purity and tenderness of Jesus the Christ. What strength He renders the seeking heart! filling it with contentment and hope. He will give rest in adversity; He will teach us how to feel the poetry of Nature, the sweetness of human relationships, and the satisfaction of duty. Fill our hearts with such peace that we shall be ashamed to murmur and complain. Turn our thoughts to the joy that the day holds; its opportunities, its privileges, and its triumphs. In the holy name of our Saviour. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Latta, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and joint resolutions of the House of the following titles:

On March 28, 1939:

H. R. 3100. An act for the relief of Capt. Francis H. A. McKeon.

H. J. Res. 110. Joint resolution to authorize Commander Henry Coyle, United States Coast Guard, to accept the decoration and diploma of the Marine Medal of Class 1 (gold), conferred upon him by the Government of Greece.

H. J. Res. 163. Joint resolution providing for the participation of the United States in the celebration of the twenty-fifth anniversary of the opening of the Panama Canal.

On March 29, 1939:

H. R. 767. An act for the relief of Benjamin Weisenberg.
 H. R. 950. An act to exempt all vessels of the United States of less than 200 tons gross registered tonnage from the provisions of the Officers' Competency Certificates Convention, 1936 (being International Labor Conference Treaty, Convention No. 53, adopted by the International Labor Conference at Geneva in 1936).

H. R. 1430. An act for the relief of Hyman Ginsberg.

H. R. 1836. An act for the relief of Jack Nelson, a minor.

H. R. 2079. An act for the relief of Charles T. Wise.

H. R. 2192. An act to extend the time for commencing and completing bridges across Cross Bayou, Twelve Mile Bayou, and Caddo Lake in Caddo Parish, La.

H. R. 3090. An act for the relief of C. R. Henderson.

H. J. Res. 150. Joint resolution to amend the joint resolution entitled "Joint resolution to provide that the United States extend to foreign governments invitations to participate in the Third International Congress for Microbiology, to be held in the United States during the calendar year 1939."

On April 1, 1939:

H. J. Res. 250. Joint resolution making an additional appropriation for the fiscal year 1939 for expenditure by the United States Employees' Compensation Commission in accordance with section 16 of the Emergency Relief Appropriation Act of 1939.

On April 3, 1939:

H. R. 3791. An act to provide more effectively for the national defense by carrying out the recommendations of the President in his message of January 12, 1939, to the Congress.

H. R. 4425. An act to provide for reorganizing agencies of the Government, and for other purposes.

On April 5, 1939:

H. R. 3801. An act to extend the time for retirement of cotton-pool participation trust certificates.

On April 12, 1939:

H. R. 3577. An act to amend the Canal Zone Code.

H. R. 3790. An act relating to the taxation of the compensation of public officers and employees.

RESIGNATION FROM COMMITTEES

The SPEAKER laid before the House the following resignation from committees:

The Clerk read as follows:

APRIL 13, 1939.

HON. WILLIAM B. BANKHEAD,

Speaker of the House, Washington, D. C.

DEAR MR. SPEAKER: Please accept my resignation from the following committees, effective immediately: Census; Election of President, Vice President, and Members of Congress; Mines and Mining; Patents; Public Buildings and Grounds.

Thanking you for your consideration in this matter, I am,
Respectfully,

MIKE MONRONEY.

The SPEAKER. Without objection, the resignation will be accepted.

There was no objection.

COST OF GOVERNMENT

Mr. RICH. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. RICH. The rawest deal ever handed a generation of children, our children and children yet unborn, who must pay for our wastefulness, is shown as follows. Here is a record of what we have done for the past 6 years:

1933, unemployed, 11,000,000; 1939, unemployed, 10,500,000; 1933, taxes, \$2,000,000,000; 1939, taxes, \$5,000,000,000; 1933, cost of government, \$3,000,000,000; 1939, cost of government, \$9,000,000,000; 1933, public debt, \$20,000,000,000; 1939, public debt, \$40,000,000,000.

Where are you going to get the money? You and we are not putting up the money for the Government spending spree itemized above; we are merely spending the money, running up bills against an empty pocketbook, and leaving the debts for our children to pay. It is babies in cradles and the girls and boys now in grade schools, in high school, and in college who will need to face the bill collector and settle up, or else be drowned by national bankruptcy. We, their parents, are spending for them a steadily mounting heritage of back-breaking debt or else heart-breaking bankruptcy. Is it not time to call a halt?

The New Deal is responsible for this terrible condition. Let us correct it here in Congress and do it at once, ere it is too late. Economize in our Government extravagance and waste.

DESECRATING THE NAME OF DEMOCRACY

Mr. LAMBERTSON. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. LAMBERTSON. Mr. Speaker, today at Charlottesville, Va., a group of 100 persons from St. Louis will disembark from a train to make a pilgrimage to Monticello to participate in the Jefferson Day exercises there. This delegation of St. Louisans will come to Washington on Saturday and place a wreath on the site of the Jefferson Memorial now being erected beside the Tidal Basin in West Potomac Park. Among the guests of honor will be Sumner Welles, Under Secretary of State, and Mayor Bernard F. Dickmann, of St. Louis.

Mr. Speaker, I have a grave suspicion that there is something deeper than patriotism and greater than love of the principles for which Thomas Jefferson is cherished by all Americans that prompts this pilgrimage by at least part of these gentlemen from St. Louis. I have a suspicion that this pilgrimage was inspired by those interested in promoting the \$30,000,000 Thomas Jefferson Memorial, which they have been trying to put over for more than 4 years in the city of St. Louis, and for which this Congress has never appropriated a thin dime. In the published list of those from St. Louis who are making the trip are 28 city officials and employees, several bank officials, a half dozen politicians, and a few attorneys. Among those who are making this trip to honor the memory of Thomas Jefferson are James A. Waechter and Joseph W. Hannauer, both former members of the board of election commissioners in St. Louis and who were removed from office by the late Governor Guy W. Parks after exposures of gross incompetency and colossal frauds in the elections in St. Louis. Mayor Bernard F. Dickmann, you will recall, is the nominal head of the Joseph F. Dickmann Real Estate Co., of St. Louis, which was recently suspended not only by the St. Louis Real Estate Exchange but also by the Home Owners' Loan Corporation for dealing through straw parties in properties owned by various defunct banks in the city of St. Louis. His brother, Otto Dickmann, vice president of the real-estate concern, is also in the party.

As I have previously remarked upon this floor, the St. Louis Post-Dispatch in an investigation made during September 1936 developed the proof that fraud had been committed in each and every one of the wards in St. Louis where a bond-issue election to support this Thomas Jefferson Memorial was held. There is no question that the ballot boxes were liberally stuffed to return a victory at the polls for the promoters.

In the last few weeks the entire Nation has been amazed at the crime, graft, corruption, and law evasions which have been exposed in the baliwicks of Boss Tom Pendergast, of Kansas City.

A courageous Federal judge started the ball rolling there, about 3 years ago, when he ordered the Federal grand jury to move on the criminals and grafters. The work of the Federal courts was supplemented later by courageous action on the part of lower courts, but it remained for Elmer Irey and his Intelligence Division of the Bureau of Internal Revenue to bring Boss Tom to the bar of justice.

Kansas City is a den of vice and iniquity; but what about St. Louis? When the lid is blown off in St. Louis the echo will be heard across the length and breadth of the continent. And some pretty big shots will get caught.

In order that we may have a permanent record of those who are reported to be making this journey to Washington and the grave of Thomas Jefferson at Monticello, in the name of democracy, I submit for the RECORD the list as published in a St. Louis newspaper.

LIST OF ST. LOUISANS WHO WILL MAKE PATRIOTIC PILGRIMAGE TO MONTICELLO

More than 100 St. Louisans will leave St. Louis by special train at 4 p. m. Wednesday on a patriotic pilgrimage to Monticello, near Char-

lottesville, Va., home of Thomas Jefferson. Those who have informed

Mayor Bernard F. Dickmann they will make the trip include:

Joseph A. Bardenheier, president, Bardenheier Wine & Liquor Co.
Edward D. Barker, vice president, Simpson & Barker, Inc.
Ludwig Baumann, city forester.
Thomas H. Berkley, city building inspector.
F. A. Bertram, assistant secretary-treasurer, Stix, Baer & Fuller Co.

Harry Billman, president, Rock Hill Stone & Gravel Co.

John H. Boogher, attorney.

Lawrence Boogher, assistant vice president, Boatmen's National Bank.

Philip Bouckaert, president, Bouckaert Packing Co.

R. M. Bristol, W. P. A. expeditor.

Edmund Burke, general agent, General American Life Insurance Co.

A. W. Butterfield, president-treasurer, George W. Jones Oil Co.

George W. Chadsey, director, department of public safety.

Ralph W. Coale, city assessor.

John F. Clancy, attorney.

Arthur T. Cochrane, chief building inspector, department of public safety.

Edward J. Coffey, general manager, Binkley Coal Co.

James Conzelman, director of athletics, Washington University.

Eugene D. Cronk, partner, Boyd, Cronk & Co.

Lloyd Crump, vice president, James R. Kearney Co.

John P. Cullinane, partner, Cullinane Bros. Undertaking Co.

Michael J. Cullinane, city registrar.

Carl P. Daniel, vice president, Daniel & Henry Co.

Joseph M. Darst, director, department of public welfare.

Fred H. Deibel, president, Elam Grain Co.

Otto J. Dickmann, vice president, Joseph F. Dickmann Real Estate Co.

Oliver W. Dorr, secretary, Dorr & Zeller Catering Co.

James V. Dunbar, vice president, Tower Grove Bank & Trust Co.

B. W. Durham, Mercantile-Commerce Bank & Trust Co.

John J. Dwyer, city treasurer.

Bart Dyer, Dyer & Moon Produce Co.

Myles P. Dyer, president, Dyer-O'Hare Hauling Co.

Thomas N. Dysart, president, chamber of commerce.

John P. English, city recorder of deeds.

Thomas L. Farrington, vice president, Lawton-Byrne-Bruner Insurance Agency.

James P. Finnegan, prosecuting attorney.

Samuel W. Fordyce, attorney.

George C. Foster, attorney.

Louis S. Freund, vice president, Walter Freund Bread Co.

Dr. E. C. Fuench, physician.

Fred A. Gerber, manager, wholesale division, Wiles-Chipman Lumber Co.

John F. Gillespie, attorney.

A. E. Gilster, president, Scudders-Gale Grocer Co.

William Gleason, photographer, city of St. Louis.

Dewey S. Godfrey, attorney.

Walter J. Grolton, superintendent, City Hospital No. 1.

L. Jean Gualdoni, street commissioner.

A. H. Handlan, president, Handlan, Inc.

Joseph W. Hannauer, president, Hannauer Real Estate Co.

Robert E. Hannegan, attorney.

George C. Hannaway, vice president, T. J. Moss Tie Co.

Chester L. Harvey, manufacturer's agent.

W. L. Hausman, manager, Barrow, Wade, Guthrie Co.

Clarence D. Henry, secretary, Hess & Culbertson Jewelry Co.

M. E. Holderness, vice president, First National Bank.

F. S. Hummel, bank examiner.

Everett D. Hunkins, president, Hunkins-Willis Lime & Cement Co.

Milton N. Johnson, general manager, Ford Motor Co.

Louis H. Jostes, vice president, Beck & Corbitt.

James R. Kearney, president, James R. Kearney Corporation.

Joseph F. Kelly, president, Joseph F. Kelly, Inc.

Col. L. C. Klingsland, patent attorney.

Fred Klingbell, upholsterer.

Fred M. Luth, sewer contractor.

J. J. McCarthy, manager, Standard Brands, Inc.

Lawrence McDaniel, city excise commissioner.

Frank J. McDevitt, director of streets and sewers.

R. C. McGrath, manager, Hotel Melbourne.

Powell McHaney, lawyer.

James H. Mason, Mason Printing Co.

Sidney Maestre, president, Mississippi Valley Trust Co.

E. C. Muckerman, vice president, Manchester Bank of St. Louis.

John J. Nangle, lawyer.

Robert C. Newman, insurance.

F. Edward O'Neill.

L. J. O'Neill, secretary-treasurer, Rice-O'Neill Shoe Co.

Charles P. Orchard, president, Orchard Paper Co.

Robert W. Otto, attorney.

Walter W. Payne, manager, Prudential Insurance Co.

E. H. Paffrath, assistant sewer commissioner.

E. E. Pershall, chairman, T. J. Moss Tie Co.

L. A. Pettus, division engineer, sewers and paving, city of St. Louis.

F. S. Pickels.

James H. Platt, special representative, Anheuser Busch, Inc.

Victor P. Roach, supply commissioner.

Carl E. Roessler, manager, Jefferson Hotel.

A. R. Ross, associate to president of board of public service.

Joseph Reardon, auditor building department, city of St. Louis.

John Ruprecht, secretary, Frank Ruprecht Quarry Co.

Burriss Schumacher, lawyer.

Thomas J. Sheehan, collector of internal revenue.

Lawrence G. Sherrill, vice president, Coal Sales Corporation.

Dr. Carroll Smith, physician.

E. J. Stocking, vice president-sales manager, Hobbs Western Co.

John B. Sullivan, secretary to Mayor Dickmann.

Charles K. Summersby, warden, city workhouse.

A. T. Terry, Sr., lawyer.

Andrew P. Titus, president, Illinois Terminal Railroad.

Raymond R. Tucker, smoke commissioner.

James A. Waechter, lawyer.

Richard H. Waltke, president, Waltke Investment Co.

Philip J. Watson, Jr., president, Terminal Railroad Association.

E. H. Wayman, city counselor.

Frank Webb, president, Tower Grove Quarry.

Charles A. Welsch, building commissioner.

Randolph Wohlman, manufacturer's agent.

Harry E. Wuertenbaeher, agent, Penn Mutual Life Insurance Co.

Homer F. Ziegler, vice president, Anheuser Busch, Inc.

May the Lord God of Hosts deliver us from the kind of democracy represented by Bernard F. Dickmann, James A. Waechter, and Joseph Hannauer.

KEEPING OUT OF EUROPEAN AFFAIRS

Mr. LORD. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. LORD. Mr. Speaker, I have before me a newspaper clipping that gives parts of a speech delivered by Mr. Bainbridge Colby, Secretary of State under President Wilson in 1920. In this speech he chides our Government and our officials and advises them to be careful about what they say about foreign countries and telling the people of those countries how to maintain their governments. Only a few days ago Italy informed us that it was our part to mind our own business and keep out of these affairs of Europe. They also informed us that they may possibly come over here for a little visit if we do not mind our own affairs. Germany has likewise in no uncertain terms in their press expressed their displeasure of our meddling.

We were warned by that great statesman, George Washington, to keep out of foreign affairs and entangling alliances. It would seem to me if we are to enforce the Monroe Doctrine it is up to us to keep out of European affairs. [Applause.]

I ask unanimous consent to insert the article to which I have referred in the RECORD and to extend my own remarks.

The SPEAKER. Is there objection?

There was no objection.

BAINBRIDGE COLBY CALLS FOR SOBRIETY IN UNITED STATES LEADERSHIP

NEW YORK, April 12.—Bainbridge Colby, Secretary of State in President Wilson's Cabinet in 1920, declared tonight that "much has been said that ought not to have been said and for which there is no excuse" in connection with European events. He called for "sobriety in our national counsels and in our national leadership."

"From what we hear today," he said in an address prepared for the fiftieth-anniversary dinner of the New York branch of the Sons of the American Revolution, "it seems that we have come a great way from our historical position that our interests are distinct from those of Europe and peculiarly our own."

"What we want is . . . the sobriety which holds leadership steady on the high plane of pure motives and high moral courage. We want the President to consult the people and their Representatives in Congress with open and receptive mind, and to respect their judgment even if it fails to accord with his plans or prepossessions."

"I think it may be said that the country views with deep disapproval every brag that has been uttered, every idle challenge that has been spoken, every word that has been said with the obvious purpose to irritate or affront, no matter whom."

COOPERATION WITH AMERICAN REPUBLICS (H. DOC. NO. 251)

The Speaker laid before the House the following message from the President of the United States, which was read, and with the accompanying papers referred to the Committee on Foreign Affairs and ordered printed:

To the Congress of the United States of America:

I commend to the favorable consideration of the Congress the enclosed report from the Secretary of State and the ac-

companying draft of proposed legislation designed to authorize cooperation with any of the other American republics in accordance with treaties, resolutions, declarations, and recommendations signed by all of the 21 American republics at the Inter-American Conference for the Maintenance of Peace held at Buenos Aires, Argentina, in 1936, and at the Eighth International Conference of American States held at Lima, Peru, in 1938.

FRANKLIN D. ROOSEVELT.

EXTENSION OF REMARKS

Mr. KNUTSON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a short article on the Philippine supply of chromium.

The SPEAKER. Is there objection?

There was no objection.

Mr. SHAFER of Michigan. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to insert a short editorial.

The SPEAKER. Is there objection?

There was no objection.

Mr. RUTHERFORD. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a letter from a Philadelphia manufacturer on reciprocal-trade agreements.

The SPEAKER. Is there objection?

There was no objection.

NATIONAL ECONOMIC COMMITTEE

Mr. SABATH. Mr. Speaker, I call up House Resolution 159. The Clerk read as follows:

House Resolution 159

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for consideration of Senate Joint Resolution 90, a joint resolution to amend the joint resolution approved June 16, 1938, entitled "Joint resolution to create a Temporary National Economic Committee." That after general debate, which shall be confined to the joint resolution and shall continue not to exceed 1½ hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on the Judiciary, the joint resolution shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the joint resolution for amendment the Committee shall rise and report same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the joint resolution and amendments thereto to final passage without intervening motion except one motion to recommit, with or without instructions.

Mr. SABATH. Mr. Speaker, does the gentleman from Michigan desire any time on the rule?

Mr. MAPES. I do.

Mr. SABATH. Mr. Speaker, I yield 30 minutes to the gentleman from Michigan [Mr. MAPES].

Mr. Speaker, this resolution makes in order Senate Joint Resolution 90. It provides for 1½ hours of general debate and then the resolution is to be considered under the 5-minute rule of the House. The resolution extends the time of the Economic Committee that was created in the last Congress. It provides for an additional \$600,000 to enable that committee to proceed with its important work.

The chairman of the Committee on the Judiciary, the gentleman from Texas [Mr. SUMNERS], and the minority member of that committee appeared before the Committee on Rules and testified, urging consideration of this resolution to make possible the adoption of the Senate joint resolution, which extends the life of this committee and makes funds available for its work. I have never been impressed to such an extent as I have been with the presentation made in connection with this committee's work.

Mr. Speaker, ladies and gentlemen, I know you are desirous of hearing direct from the chairman of the Committee on the Judiciary, who is also a member of the Economic Committee. Consequently I will not take any more of your time, reserving the balance of my time, however, if need be, to answer the gentleman from Michigan.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield.

Mr. RICH. The gentleman speaks about the good work this Economic Committee has accomplished. Will the

gentleman tell us of some of the things that have been accomplished by this committee under the expenditure of funds which they want to increase from \$500,000 to \$1,500,000?

Mr. SABATH. To the gentleman from Pennsylvania, I can only say that he must not have heard me when I said that the gentleman from Texas [Mr. SUMNERS], chairman of the Committee on the Judiciary, and a member of the Economic Committee, who so ably presented the case before the Rules Committee, can explain more fully and more thoroughly what has been accomplished by this committee than I can, because the gentleman from Texas is an active member of that committee.

As to spending money, knowing the gentleman from Texas as I do, I have the utmost confidence that any committee of which he is a member will not be permitted to expend a single dollar unless it is absolutely necessary and for the best interest of our country.

Mr. RICH. I thank the gentleman. We will be glad to get that information. We hope that when they are going to spend \$600,000 additional that we will get something, and we will put this country back into good economic condition, because it is in terrible condition now.

Mr. SABATH. I will say to the gentleman that the Republican member of the committee, who is now present, appeared before the Rules Committee favoring the extension of time and the appropriation of the additional money.

I disagree with the gentleman from Pennsylvania that conditions in our country are so terrible. Only a few days ago I read a report, I believe it was in the Wall Street Journal—not that I am a subscriber to that paper, although I presume the gentleman looks upon it as a Republican Bible—which reports that for the years 1937 and 1938, 2,200 corporations in the United States averaged a profit of 8½ percent, 2 percent greater than even in the banner years of '27 and '28 under Republican administration. Those gentlemen during those days were permitted to do things to the country—not for the country—which made it necessary that we appropriate large sums of money to feed the unemployed. His party is responsible for the unemployment today. If inflation had not taken place in 1927, '28 and '29 these tremendous expenditures on our part, about which the gentleman from Pennsylvania complains every day, would not have been necessary, and his party, or those who control his party, have been responsible for the conditions we seek to correct.

Mr. RICH. Will the gentleman yield further?

Mr. SABATH. I yield.

Mr. RICH. We had 12,000,000 unemployed 6 years ago. You have got 12,000,000 unemployed now. You have spent twice the amount of our income. You have increased our national debt 100 percent—from \$20,000,000,000 to \$40,000,000,000. If you can get any satisfaction out of a condition of that kind, then for goodness' sake take us back to the good old Republican days with the full dinner pail, where we had happiness and contentment and joy in America, where we will continue under the Stars and Stripes and not under any more New Deal administration. [Applause.]

Mr. SABATH. I will say this: The gentleman from Pennsylvania is the only Republican I know of who wants to go back to the happy Republican days of 1929 to 1933. I always enjoy the 1-minute speeches of the gentleman from Pennsylvania, and I know it is with a grain of humor that he propounds with monotonous regularity the questions, "Where is the money coming from?" and "When are we going to cut the national debt?" He knows the answers as well as I; but for political reasons, he cannot acknowledge them. Because we all love and admire the gentleman from Pennsylvania, we have not taken notice of his potshots at the administration; but, now that there is a little time to spare, I would like to make a short reply.

Mr. Speaker, first of all, there is the cry that the Nation staggers under a \$45,000,000,000 national debt, and that the country is headed for ruin. I wonder if the gentleman can reconcile that charge, flung far and wide through Republican newspapers, with the fact that the credit of the United

States is better than that of any nation in the world. How does it happen, if these charges are anything more than deliberately inspired scares, that the Government today pays a lower interest on its bond issues than ever before in history?

Here on one hand we have banks bulging with money, gold and silver stocks of the Government at a record high of over \$15,000,000,000, national credit as good as any nation's has ever been; and yet, on the other hand, we are confronted with the concerted efforts of the Republican Party, Wall Street, and the controlled newspapers, all trying to hammer the conviction home to the masses that we face economic chaos. So far, crying "Wolf!" has been the extent to which the Republican Party has cooperated with us in our honest endeavors to restore confidence and bring back prosperity.

If criticism is to be the weapon, it is easy to turn it against the Republican Party. There are questions the gentleman from Pennsylvania would be hard put to answer. I might ask whether his memory harkens back to the criminal inflation of 1927, 1928, and 1929, and for his justification of Wall Street's mulcting of millions from investors during that period, with the Republican Party acting the part of an indulgent parent.

Does he remember how the banks, insurance companies, benevolent associations, trust companies, and building and loan associations were systematically loaded with worthless stocks? There are men and women today who look for aid from this administration because the Republican Party allowed its Wall Street boys to steal from them their lifetime savings. Can the gentleman forget a Republican President, Herbert Hoover, who brought to our people the greatest depression the world has ever known? Does he remember, as I remember, the idle factories and plants, the breadlines and civil disorders?

In August 1929 I was ridiculed when I warned President Hoover and the then president of the Stock Exchange, Mr. Whitney, that danger lies ahead. How can the Republican Party ever forget what followed? With the richest Nation in the world, a nation of fabulous wealth and produce sufficient to support the world's peoples, the Republican Party ended up by plunging that Nation into a catastrophe so great that we still struggle to escape its consequences. That crash is responsible, and solely responsible, for today's national debt. The Democratic Party fell heir to the worst mess any party has ever thrown the country into. We might have done as the Republicans did, and let the hungry go unfed, but that isn't the Democratic way. We preferred to see the national wealth used for the benefit of the people rather than wasted by Wall Street. You Republicans bemoan the expenditure of a billion dollars for the relief of the unemployed. Would you prefer to see the national wealth dissipated, as it was in 1929, with losses of billions of dollars a day?

At least we have something to show for the money we have spent. To a great extent we have relieved unemployment, with millions now working who had lost hope under the Republicans. We have taken the hungry, fed them, given them employment, afforded them with ample national defense (at the cost of billions which otherwise would not have been spent), and introduced into American politics for the first time in history a broad program of social betterment.

Answering the gentleman's question as to where we shall get the money, let me say again that conditions are improving, that manufacturers are making more money today than they made even in 1927 or 1928, as reported in the Wall Street Journal and other papers. If the gentlemen on the left would cooperate with the administration, if you would prevail upon these big industries to cooperate, if you were sufficiently interested in the welfare of America to work with the administration, an administration that is honestly and sincerely desirous of aiding the legitimate business and the country and put it again on a solid basis, prosperity would be brought back to the Nation much more speedily.

Mr. VOORHIS of California. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield.

Mr. VOORHIS of California. In addition to mentioning the reduction of unemployment, I am sure the gentleman will be glad to add to those figures the 600,000 young people who each year are added to the number of people who need jobs. Without, therefore, the program of the New Deal there would be that much additional unemployment during each year of this period. Further, the thing that has been attempted in the last few years, to bring about a balance between the consuming power of the people of this country and the power to produce is the very thing that has been opposed and blocked at every stage it could be blocked on the other side of the aisle.

Mr. SABATH. I thank the gentleman from California for answering these gentlemen on the left. I know he is an earnest student of conditions, and I always welcome his support in explaining conditions, knowing that it should be of some benefit to our Republican friends. They do not, unfortunately, desire to be benefited. All they desire is to play politics at the expense of the country. If they would try to help us instead of blocking our efforts they would be doing something for the country.

Mr. BENDER. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield.

Mr. BENDER. Will the gentleman explain his statement that conditions are improving, that business is improving? If this be so, why has the President asked for \$1,500,000,000 for the W. P. A. beginning on July 1 of this year?

Mr. SABATH. He asked for this additional appropriation because he is interested in the masses, he is interested in the unemployed, people who suffer unemployment through conditions brought about by the Republican Administration. President Roosevelt will not permit people to go hungry in this country. He is doing everything in his power to bring about a condition whereby after this \$1,500,000,000 is utilized there will be no need for additional appropriations along this line.

Mr. CARTER. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield.

Mr. CARTER. As I understand it this Committee on National Economics has been in existence for some time.

Mr. SABATH. It is a joint committee; yes.

Mr. CARTER. It was appointed a number of months ago.

Mr. SABATH. Yes.

Mr. CARTER. Have they made any progress report, or what can the gentleman give in justification of a continuation of this committee?

Mr. SABATH. I may say to the gentleman from California that the chairman of the committee is here and ready to enlighten the House. If the gentleman will listen to him as I did when he appeared before our committee I know the gentleman will be immensely pleased with the work the joint committee has already done. [Applause.]

Mr. Speaker, I reserve the balance of my time.

Mr. RAYBURN. Mr. Speaker, will the gentleman yield?

Mr. SABATH. Mr. Speaker, I yield to the gentleman from Texas such time as he may desire.

COMMITTEE ON LABOR

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent that the Committee on Labor may have the privilege of sitting during the sessions of the House today and tomorrow.

Mr. RICH. Mr. Speaker, reserving the right to object, can the majority leader advise us whether the House Committee on Labor is going to hold any hearings on the Wagner Act and the National Labor Relations Board?

Mr. RAYBURN. They are trying to hurry through the measure that contains amendments to the Wage-Hour Act in order that they may reach hearings on the controversy with reference to the National Labor Relations Act.

Mr. RICH. Then we may expect that the House Committee will hold hearings on the N. L. R. A.?

Mr. RAYBURN. They have already voted unanimously to hold hearings on amendments to the National Labor Relations Act.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

NATIONAL ECONOMIC COMMITTEE

Mr. MAPES. Mr. Speaker, I yield 15 minutes to the gentleman from Michigan [Mr. MICHENER].

Mr. MICHENER. Mr. Speaker, I am not going to follow the course of those who preceded me and talk politics. The gentleman from Chicago, Judge SABATH, chairman of the Rules Committee, had a very difficult time trying to apologize for what has happened to the country under the present administration during the last 6 years. For the sake of the argument, I shall accept his apology. The resolution before the House is a matter that should not be viewed in a political way.

Last year the President demanded that an executive committee be set up to do the work which this Economic Committee is doing. Due to the position taken by some good, common-sense, Jeffersonian Democrats in the House and in the Senate with the cooperation of the minority, the President was not permitted to accomplish that which he demanded. As a compromise there was created a joint committee, part of whose membership was taken from executive departments as designated by the President, three Members from the Senate and three Members from the House. There was much fear at that time as to whether or not this committee, which was called the Economic Committee, or monopoly committee, would become a witch-hunting agency and upset business still further—put more fear into business, if possible, than existed at the time. I, too, had that fear and so expressed myself on the floor of the House, but I am happy to say that under the leadership of Senator O'MAHONEY and his colleagues from the Senate, and the gentleman from Texas [Mr. SUMNERS] and his colleagues from the House, the investigation has been conducted in a much better way than anyone anticipated it would be.

The bill creating this Economic Committee provided that the life of the committee should expire with this Congress; so, on January 3, 1941, this committee dies a natural death unless it is continued. But you can take it from me that an effort will be made to continue it.

The question has been asked whether or not this Economic Committee has made any official report of its doings. The answer is that it has not. It is true that there is some kind of report in the making, and that with this additional \$600,000 the country is buying a "pig in a poke." We are told that the studies of the committee are midway between beginning and end and that without this money any constructive efforts on the part of the committee will be thwarted. In short, we are asked to come up with a \$600,000 ante in order that we may see the Economic Committee's hand.

Let me impress the fact that this is no minor investigating committee, because it has a full-time staff of 268 persons and a part-time staff of 160 persons, making a grand total of 428. Under existing law, the President controls four-fifths of the money appropriated for this work, and if this resolution is forced through without the amendment I have suggested he will still have like control.

The resolution that is before us today authorizes the appropriation of an additional \$600,000, \$100,000 more than we appropriated a year ago to do the complete job. I am sure every Member of this body trusts the committee. I would trust the gentleman from Texas, Judge SUMNERS, at any time anywhere to spend this money properly. I, therefore, go further and insist that the committee members from the House and Senate have something to say about it. This committee does not need any wet nurse.

Mr. WALTER. Will the gentleman yield?

Mr. MICHENER. I yield to the gentleman from Pennsylvania.

Mr. WALTER. Does not the gentleman recall it was represented to our committee that commitments had been made by the committee for the expenditure of the amount sought in this resolution?

Mr. MICHENER. Yes; I was getting to that. As I stated, I am ready to trust the committee. This bill was introduced

first by Judge SUMNERS and in the Senate by Senator O'MAHONEY.

Mr. REES of Kansas. Will the gentleman yield?

Mr. MICHENER. I yield to the gentleman from Kansas.

Mr. REES of Kansas. Do I understand this Economic Committee made commitments to spend the money before it was appropriated, allowed, or authorized?

Mr. MICHENER. I think this committee, acting as many committees, bureaus, and commissions do, especially when they are proceeding under Executive authority, assumed that when it came to Congress and made a demand it would get the money. That is a habit these agencies have.

Mr. REES of Kansas. That is quite an assumption.

Mr. MICHENER. That is the only answer I can make.

Mr. Speaker, the resolution pending before the House provides that the figures mentioned in the original law shall be stricken out and there shall be substituted in lieu thereof figures carrying an additional \$600,000, making a total appropriation of \$1,100,000 for the committee. When this resolution was introduced, and before hearings were had by the Judiciary Committee, it asked for \$2,000,000, not \$600,000. Senator O'MAHONEY, five or six professors, the heads of various executive departments, and economists from the departments, who are conducting this investigation, appeared before the Judiciary Committee, and by questioning we developed the fact that they could not use more than \$600,000 during the life of the committee, which expires on January 3, 1941.

Whether or not commitments have been made for all of this money I do not know, but we were advised that \$600,000 would be sufficient to permit the committee to complete the work now outlined and make its final report in keeping with the terms of its authority. I do not favor additional appropriation without the Congress controlling the expenditure of the money.

I yield to no man in this body in my belief in economy. I have voted for every measure that has been brought in here during the last few years, without exception I believe, where the question of common-sense economy was involved. We have set up this committee which has been conducting these studies. It has not made a lot of fuss. It has not disturbed business. The committee tells us it is going to make a report that is worth while if we give it sufficient money to finish the report. For my part I do not want to oppose any course that will not permit the committee to make its report and wind up its activities. I did oppose the \$2,000,000, and the Judiciary Committee opposed it. As a result it was stricken from the resolution and a redrafted resolution providing the \$600,000 was presented and is before us today. Understand clearly, this Economic Committee asked for \$2,000,000, but the majority of the Judiciary Committee has approved but \$600,000.

Mr. Speaker, when the resolution is read for amendment I am going to offer an amendment, and I wish the Members would pay close attention to it. In the first place, the resolution is drafted differently from any resolution that has ever come from the Judiciary Committee. We did not draft it that way. The only excuse anyone will give for the way this resolution is drafted is that it was done that way in the Senate and sent over here. Some of our members were reticent about disturbing Senate language, regardless of how awkward it is. The amendment which I shall offer will be found in the minority report which has been filed. I ask all of the Members to get a copy of the minority report and read this amendment which I shall offer.

First, the amendment improves the draftsmanship and makes the resolution intelligible, without going through the mechanical process of striking out and inserting. In short, the law can be understood without recurring to the original enactment. Second, it provides that an additional \$600,000 be appropriated and that said sum shall be immediately available for expenditure by the committee in carrying out its functions. In other words, because a supine Congress in the last session yielded to the whip and the lash of the administration and surrendered to the President the right to dictate to this investigating committee as to its activities is no reason

why the present Congress should not reassert its independence and again recognize its confidence in its own committee. The country has reacted most favorably to every independent act of the present Congress. The fact that we made a mistake a year ago is no justification for a repetition of the same error.

I take it that inasmuch as the administration wants this authority, there will not be sufficient votes to defeat the resolution. However, it seems unthinkable that this House should authorize the spending of an additional \$600,000 of the taxpayers' money and specifically provide that the poor, subservient committee might be trusted with \$120,000 of the amount and the President be allotted \$480,000. I think it outrageous that this committee, headed by Senator O'MAHONEY and Representative SUMNERS of Texas, should be compelled to go to the White House with hats in hand and get permission from the President to carry on this investigation. If this had not been done a year ago, it would be shouted out of this House today. The only reason that the proposition is before us is because the administration does not want to yield this prestige.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. MICHENER. I yield to the gentleman from Pennsylvania.

Mr. RICH. I should like to ask the gentleman two questions: First, what has been done with the \$500,000 that has already been given to the committee?

Mr. MICHENER. The report made to the committee by Senator O'MAHONEY, and those who appeared with him, was that they have used this money in making certain investigations which they have not yet perfected. I am quite sure the gentleman from Texas [Mr. SUMNERS], who is on the Economics Committee, and the gentleman from Tennessee [Mr. REECE], who is also on that committee, will be able to explain fully the work done.

Mr. RICH. The second question is this: Is not the \$600,000 additional we are asked to give this committee an enormous sum when we consider the amounts we have given other investigating committees of the House; for instance, to investigate W. P. A., \$75,000? To a lot of the investigating committees we have given only \$25,000. It seems to me this \$600,000 is an enormous sum.

Mr. MICHENER. There is no question that it is a large amount; but I may say to the gentleman that the Judiciary Committee was opposing \$2,000,000, and, as one member of the committee, I was much gratified to be able to cut the amount down to \$600,000. I may say further that I am wondering what the W. P. A. workers and those demanding relief are going to think of an additional appropriation of \$600,000 to pay the salaries of these investigators, economists, and what have you, especially when a half million dollars has already been used up without so much as any kind of beneficial report resulting. Experience tells us that there is very little chance of any constructive legislation ever resulting from these investigations.

I regret that my time has expired, and may I close with this question: Is this Congress justified under all the circumstances in authorizing this additional expenditure, and again affirming its belief that it can better trust the President as to the work in hand rather than its own committee? [Applause.]

[Here the gavel fell.]

Mr. MAPES. Mr. Speaker, I yield 1 minute to the gentleman from South Dakota [Mr. CASE].

Mr. CASE of South Dakota. Mr. Speaker, during the remarks of the gentleman from Illinois, the chairman of the Committee on Rules, a question arose as to the present state of the country in comparison with what it was a few years ago. For your consideration I bring you some pertinent comment on that point made on March 17, 1939, in the hearings of the Committee on Appropriations on the supplemental W. P. A. appropriation bill:

Mr. LUDLOW. Colonel, how was it before there was any Federal relief?

Colonel HARRINGTON. I only know in a general way. . . . Mr. CANNON. Of course, at that time the need was not so great. We have now the greatest destitution in the history of the United States.

Colonel HARRINGTON. That is correct.

I may add the observation that the chairman of the Committee on Rules later supported the position of the gentleman from Missouri [Mr. CANNON] in the debate on the bill. [Applause.]

[Here the gavel fell.]

Mr. SABATH. Mr. Speaker, I yield 5 minutes to the gentleman from California [Mr. VOORHIS].

Mr. VOORHIS of California. Mr. Speaker, I just wanted to address myself in connection with this bill for a couple of minutes to a question that was asked awhile ago by the gentleman from Ohio [Mr. BENDER] with regard to why the President is requesting funds for the W. P. A. for next year.

The reason he is doing this is the same reason the continuance of this committee is of great importance.

The gentleman from Illinois [Mr. SABATH] gave figures on the earnings of the corporations of America during the last couple of years, which figures cannot be successfully challenged. Our difficulty has not been basically with the earnings of industry, it has been with the purchasing power of the masses of the people of this Nation. The reason the President will ask for this money is twofold: First, because he is concerned about the welfare of the great mass of people in this Nation, many of whom have been literally pushed beyond the periphery of our modern industrial economic system by forces over which they have no control themselves.

Mr. THOMAS of New Jersey. Mr. Speaker, will the gentleman yield?

Mr. VOORHIS of California. In a minute I will be glad to yield.

Our principal job is so to adjust their buying power and those economic forces as to bring them back into the circle of that economic system.

The second reason the President will ask for additional funds is that it has been found by the experience of all industrial nations over a period of time that except where a net increase in the buying power of people is being brought about, either through governmental action or otherwise, industry itself is unable to distribute sufficient purchasing power to the people of any nation to enable them to take off the shelves the very goods industry produces. I could give reasons for this, and one of these days I hope to have an opportunity to do so, but I do not have time now. All I wish to say at the present time is that if this committee can be instrumental in showing how that can be done without increasing the public debt—and it ought to be able to be done without increasing the public debt—they will have contributed the most valuable single piece of information, perhaps, that has ever been contributed in the history of this country.

Mr. BENDER. Mr. Speaker, will the gentleman yield?

Mr. VOORHIS of California. In just a minute I shall be pleased to yield.

Another reason the President will have to ask for this additional sum is that the distribution of income in this country is so unequal that the very people who own industry find that this unequal distribution of income is such that the people to whom they must sell do not have the buying power that they need to absorb these goods. This is the main problem. It has to do with the tax structure and has to do with the existence of monopoly. One main reason agriculture cannot get a decent income from its products is that monopoly industry takes too large a percentage of the fluid buying power of the country. If you want to get rid of W. P. A., and if you want to get rid of unemployment, you have to have a means of preventing too much of the total buying power of this country going into the hands of this group, in order that more of that buying power may go into the hands of agriculture, small business, labor, and our older people. One of the things we ought to do without fail before this session ends is to provide an effective, direct, general Federal pension law for our older people.

These are the reasons the President asked for this committee and these are the reasons we need a continuation of the work of the committee. They are also the reasons why it is our duty to provide for useful employment for our unemployed people in the next year.

Mr. BENDER. Mr. Speaker, will the gentleman yield?

Mr. VOORHIS of California. I yield.

Mr. BENDER. The gentleman has spoken of the President's policies and I would like to ask the gentleman this question. Has any President ever had more power for a longer period of time than this President to demonstrate the value of his ideas and his ideals and his doctrines?

Mr. VOORHIS of California. I believe so, but I would not get into any argument about that and in answering the gentleman I will say this much: I believe in 1937 we made a great mistake. I am not laying any blame on any particular person or any group of people, but I think that a tremendous blunder was made in 1937 when we failed to sustain continuously the buying power of these people and tried to curtail too quickly. I think if that had not been done we might well have balanced the Budget before this.

Mr. BENDER. Is it not a fact that bread lines are getting longer and the percentage of poor people is growing; in fact, as demonstrated by the Gallup poll, where 52 percent of our people are within 6 months of the bread line and 19 percent of them are already in the bread lines?

Mr. VOORHIS of California. Let me answer the gentleman's question.

Mr. BENDER. Yes.

Mr. VOORHIS of California. Inevitably, until you correct these difficulties in the economic system which I have pointed out, first, the necessity of an increase in the total volume of money in this country to correspond with the increase of productive capacity—and that increase must be brought about through some monetary adjustment—and until you adjust the distribution of income in this country so that you have an economic system with freedom to your businessmen to produce and then have customers to take these goods off the shelves, you are going to continue to have this same situation.

The President of the United States, had he really been supported vigorously all through this time, would have accomplished far more than he has, and I say this without necessarily implying that I agree with him about everything.

Mr. BENDER. Has not Congress supported him vigorously?

[Here the gavel fell.]

Mr. SABATH. Mr. Speaker, I yield the gentleman 3 additional minutes.

Mr. VOORHIS of California. I thank the gentleman.

Mr. BENDER. Has not Congress cooperated with him vigorously right along?

Mr. VOORHIS of California. The gentleman knows very well that in the last few years that has not been the case; and, furthermore, may I say that America is face to face with a very difficult and serious problem. She is face to face with the coming to fruition of the developments of machine industry, of technological improvements that proceed so rapidly that it is very difficult for bodies like this one to keep up with them.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. VOORHIS of California. In a moment.

The problem of the President was not, and is not today, only the problem of congressional support. Our problem, yours and mine, and the President's, and everybody else's, is the problem of attempting to understand this problem and of getting the people of America to understand it; and in order to solve it, we are going to need the patriotic support of every group of people in this country—every single one. We are going to have to have business groups that sincerely want to be appeased and are interested in national welfare; we are going to have to have labor groups that want very much to solve their difficulties and differences and are interested in national welfare; and we are going to require a Congress which will earnestly consider these big problems and not bicker about small ones.

I now yield to the gentleman from Pennsylvania.

Mr. RICH. In speaking of industry taking on employment, before the recently enacted laws it required about 40 percent of the operation of an industry to enable industry to break even in its overhead. With the labor laws that we have passed in the last 4 or 5 years, they require industry to oper-

ate at the point of 60 percent in order that they may break even before the stockholders get any return on their investment; and we are in the situation, so far as our manufacturers are concerned, that there is today no opportunity for them to get ahead; no incentive to do business or invest capital. Business is going in the red. It cannot make any money; when it does, taxes eat it up. How do you expect business to improve and be able to take on these people when the laws that we have enacted, such as the National Labor Relations Act, or the Wagner Act, social security, are putting such a damper on business that they cannot even make a start, and men with money will not go into business? They are afraid to go into any business, especially when you persecute them and call them all kinds of names, most of it unwarranted.

Mr. VOORHIS of California. I want to answer the gentleman's question. The difficulty, in my opinion, is not with the laws, although I do not think they are perfect, and I think some of them should be improved, but the difficulty basically is that if business was given complete freedom today they have enough idle plant capacity right now that would require a considerable increase in consumer purchasing power to use up the present capacity; and therefore I come back once again to the statement that the problem basically is a problem of adjusting the buying power of the American people on the one hand and their power to produce on the other. [Applause.]

Mr. RICH. Let me ask the gentleman this question: Has the gentleman ever run a business concern; has the gentleman ever been in business and met a pay roll?

[Here the gavel fell.]

Mr. MAPES. Mr. Speaker, I stated prior to the remarks of the gentleman from California [Mr. VOORHIS] that I had no further requests for time, but his talk has provoked requests, and with the permission of the chairman of the Committee on Rules I would like to yield my colleague from Michigan [Mr. HOFFMAN] 5 minutes.

Mr. SABATH. That is quite satisfactory.

Mr. MAPES. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include an editorial from a Pennsylvania newspaper and excerpts from a letter from the Michigan Federation of Labor received this morning.

The SPEAKER. Is there objection?

There was no objection.

Mr. HOFFMAN. Mr. Speaker, the gentleman from California [Mr. VOORHIS] is always talking about purchasing power. I suppose the gentleman will concede that the man who works in the factory and draws wages has purchasing power.

Mr. VOORHIS of California. That is correct.

Mr. HOFFMAN. And I suppose the gentleman will also concede that someone must operate that business.

Mr. VOORHIS of California. That is correct.

Mr. HOFFMAN. And at the same time that person must get at least enough from those who buy the manufactured products to meet the pay roll and pay for the material.

Mr. VOORHIS of California. Evidently.

Mr. HOFFMAN. That much—pay for materials, money for the pay roll, for taxes—the employer must have, even though there is none left for dividends.

The gentleman's party has been in power for the last 6 years. It has had practically all the money for which it has asked. It has had more by billions of dollars than the taxpayers have been able to pay into the Treasury of the United States. You have borrowed more than \$21,000,000,000 and have distributed that money the way you wanted to.

For more than 6 years you have not only, through taxation—and I refer now to the Social Security Act—taken from the employer but the wage earner as well billions of dollars which you promised to hold for him for old age and unemployment benefits, and have squandered it on current running expenses, but you have almost doubled the national debt by borrowing additional sums, which you have wasted and

squandered; and the net result is, as you are forced to admit, a complete failure to better the condition either of the individual or of the Nation.

Now, what has been wrong with your plan? As the gentleman in substance said a moment ago, the greatest need of this country is a better understanding on the part of the President of our country's problems. After all of these experiments, after all of these expenditures, does the President not know the remedy? Has he forgotten that he told us we must live within our means? That we must economize? That excessive taxation and Government regulation would mean the end of constitutional liberty, the end of economic prosperity?

Is there no one on the gentleman's side who can tell the President a few of the self-evident, fundamental facts of life? That wind and hot air will not create either employment or purchasing power? That a ceaseless, restless moving about on vacations from one place to another and a hatching of crackpot schemes, the application of exploded theories, and an utter lack of the application of common sense will never restore us to the position of a normal, prosperous nation?

We have had 6 years of it. Will it take another 6 years of the same kind of foolishness, or will it take 60 years more, for the gentleman's party to learn what is the trouble with our country, to understand the remedy which in the end must be applied?

Mr. VOORHIS of California. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN. Yes.

Mr. VOORHIS of California. The fact that some of this money is not raised by taxes is important, because that means that that amount of money has been had beyond the contribution to the customers of American business, which has not been raised by taxes.

Mr. HOFFMAN. Very well. If you do not raise it by taxes, where do you get it?

Mr. VOORHIS of California. It was borrowed, and the point I make is that I do not believe it should be borrowed.

Mr. HOFFMAN. Then the gentleman would tax them more?

Mr. VOORHIS of California. No.

Mr. HOFFMAN. Where would you get the money if you would not borrow it? Where would you get it—print it?

Mr. VOORHIS of California. I believe it is important in any modern industrial nation for the government of that nation to exercise its prerogatives and bring into circulation enough money to compensate for the increased productive capacity.

Mr. HOFFMAN. The gentleman's party, the majority in the Congress, has put on the books three laws, the Social Security Act, the Wagner Act, and the Wage and Hour Act, and the unemployment today is as great as it was before they were enacted; each has tended to increase unemployment, and the purchasing power, according to the gentleman's own statement, is lower, and according to the statement just read by the gentleman from South Dakota [Mr. CASE], and according to Mr. Harrington, who is head of W. P. A., the people are now in the greatest state of destitution in the history of our country.

Let me read that testimony from page 189 of the hearings before the Subcommittee of the Committee on Appropriations of the Seventy-sixth Congress, first session. Colonel Harrington was asked as to how the unemployed and the unemployables were fed in certain sections and he was then asked by Mr. LUDLOW how it was before there was any Federal Surplus Commodities Corporation or before there was any Federal relief. He replied:

I only know in a general way. . . . They were fed by the Salvation Army, and in some cases by municipal soup kitchens.

Mr. CANNON (Democrat of Missouri and a member of the Subcommittee on Appropriations). Of course, at that time, the need was not so great. We have now the greatest destitution in the history of the United States.

Colonel HARRINGTON. That is correct.

In connection with the President's statement made not so long ago that a third of our Nation was ill-housed, ill-

clothed, and ill-fed, is not that a wonderful record for the gentleman's party to point to? After the expenditure of all those billions of dollars and 6 years of arbitrary, unlimited power, are you not proud of that record?

You are not only "getting nowhere fast," but you have put the skids under us as a people and as a nation and you greased them well, so that our destination, which is increased unemployment, greater destitution, economic chaos, waste, and extravagance, is approaching at an ever-accelerated pace.

Listen to this statement from the Michigan Federation of Labor, received this morning:

The Unemployment Compensation Commission of Michigan is faced with a crisis due to lack of funds in the Social Security Board to meet the administration expenses. According to information I have, the State administration may have to close down early in May for lack of funds unless the Social Security Board receives an additional appropriation.

Several major industries expect to lay off some of their employees within the next 2 weeks and it will increase the load of the Unemployment Compensation Commission.

Another one of the results of your administration of quack remedies by quack doctors.

As a result of the legislation which you have enacted and the almost criminal manner in which the taxpayers' money has been used; as a result of the restrictions placed upon industry which, in the end, must pay the taxes, an ever-increasing number of individuals and corporations are forced to cut down the number of jobs which they can give.

And why cannot industry longer employ these men? Go out and talk, as I have, with the men who formerly successfully operated the smaller factories who are now fighting for their existence. Go into the towns, into the small cities, and you will learn the facts, which you never can learn by sitting here.

Mr. SABATH. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN. I decline to yield. What do you find? You find that the Wage and Hour, the Social Security, and the Wagner Acts, and your John Lewis and your C. I. O. and sit-down strikes have ruined the men who heretofore have given employment, and still you refuse to lessen the pressure on these men, who, if given a fair, square deal, an even break, always have and would today lift us out of this depression. I notice in this morning's paper that John L. Lewis intends to call a general strike in the soft-coal industry if the wages he demands are not paid, and the hours and working conditions that he demands are not acceded to. Everyone knows that the coal miners need money, everyone knows that they cannot draw a cent of wages unless the operators can at least break even. Everyone knows that as you shove the price of coal up you lose your market and that is what you have done, and so today, down in West Virginia they are asking for public funds to support the miners, who are forced out of work by the legislation that you have passed the Guffey Coal Act.

I do not know of my own knowledge whether the operators of these coal mines are making an unjust profit nor whether the men who work therein are underpaid. But I do know that, unless the operators can mine and sell the coal at a price high enough to pay the wages demanded, no one will work in that particular industry; and I do know that if the wages for mining the coal, added to the other costs, are so high that it is cheaper to purchase coal in some other place or use some other fuel, then again those miners will be idle, the mines will be closed.

True, the laboring man should have a living wage, but the man who owns and operates a mine, a factory or a mill, he, too, must have a living wage.

Let me quote this editorial from the Somerset (Pa.) Daily American of April 12, 1939, which reached my desk this morning and which discloses not what may happen but what has happened, and which points out in no uncertain manner what all must do to aid in solving the trouble:

It must have been quite a shock to United Mine Workers' leaders to receive the news from Governor Holt, of West Virginia, that there were no funds available out of which to pay relief to miners

idle through the inability of the union and the operators to agree upon wages and working conditions to govern them during the ensuing 2 years, and that if there were available funds, "it would be socially and economically unsound to provide at public expense financial assistance to those who voluntarily refrain from working."

The words of Governor Holt remind of the attitude of Governor Coolidge, of Massachusetts, who later became President, when he was dealing with the Boston policemen's strike.

They also call to mind the words of Grover Cleveland when he said that it is not the duty of the Government to support its citizens, but it is the duty of its citizens to support the Government.

The idleness of the coal mines of West Virginia, and the same is true of Somerset County and all other mining sections, is due to the voluntary action of the mine workers.

Their preference to gratify the vanity and promote the political ambitions of John L. Lewis is the chief reason why bituminous miners are idle.

Were the employees of any mine to sit around the council table with their employers, they could probably go to work within a few days and make more money than they have seen in their pay envelopes since the depression began.

That is what happened after the Jacksonville agreement.

The miners forgot Mr. Lewis and his bargain, agreed with the men who knew the terms on which coal could be marketed, and went to work.

After all, the first devotion of every American is to his country, to his fellow citizens. The highest duty of each of us is to make such contribution as we are able to the general welfare. Any wage agreement that promotes idleness among workers in any craft is detrimental to the common good.

Labor leaders who ignore the highest duties of Americans are not fit to lead Americans.

When there are more than 11,000,000 idle workers in the United States for reasons beyond their control, it behooves each of us to do his part toward accepting proffered employment and providing employment.

Industry multiplies industry; like always breeds like.

The consumer who produces an equivalent for that which he consumes provides for the needs of other consumers and thus contributes to the general welfare.

The idler who adds to the number of idle workers not only contributes to the miseries of his fellows but menaces the civilization under which he enjoys all his material blessings.

When any group sets up conditions of labor that are detrimental to the general welfare it absolves from allegiance all patriotic citizens.

The results of coercion and intimidation in Russia, Italy, and Germany are the results that will follow similar practices in America.

The attempted coercion of mine operators into acceptance of uneconomic agreements for the operation of their mines belongs in the same category as Fascist, Nazi, and Communist coercion in Europe.

Governor Holt has exhibited a fine sense of justice in refusing to lay upon industrious citizens of his State the support of those citizens who regard their obligations to John L. Lewis superior to their obligations to America.

John L. Lewis and his C. I. O. would not only "kill the goose that lays the golden egg" but they would kill every kind of a goose that lays any kind of an egg, and in doing that they are playing into the hands of the Communists, whose theory is that no man should own anything nor make a profit, no matter how industrious, how saving he may be. [Applause.]

The SPEAKER. The time of the gentleman from Michigan has expired.

Mr. MAPES. Mr. Speaker, I yield 3 minutes to the gentleman from Massachusetts [Mr. GIFFORD].

Mr. GIFFORD. Mr. Speaker, I think I should have a critical eye on these increased expenditures. I have read the explanation of the bill. It seems to be the old story of an attempt to bolster up the old idea of the commodity dollar. I wish to ask the chairman of the Rules Committee to explain this language:

And to hear and receive evidence thereon, with a view to determining, but without limitation.

What is meant by "to determine, but without limitation"?

Mr. SABATH. Mr. Speaker, the gentleman possesses enough intelligence—

Mr. GIFFORD. No; I do not have sufficient intelligence to understand that.

Mr. SABATH. The gentleman possesses enough intelligence that it is unnecessary for me to explain the meaning of that verbiage. I think it speaks for itself. The gentleman knows what the word "limitation" means. Of course, it does not always apply to him, but as a rule we know the word, and the meaning is generally recognized.

Mr. GIFFORD. I will read it to the gentleman. I knew he could not explain it. Of course, he could not—

With a view to determining, but without limitation, the causes of such concentration and control.

I yield for some bright Member to tell me what that means as applied to this particular portion of the act.

Of course, there will be no limit to the sums that will be required to keep this Commission going if it is without limitation in the scope of its inquiry. I ask the House to consider the last expressed instruction "to adjust the purchasing power of the dollar." It is the old rubber dollar plan that is to be further investigated. We have had nothing but that for some time. I do not like to see this money possibly wasted on such an unparalleled authority granted to search for that impossible solution "that government can prove itself greater than natural economic laws."

[Here the gavel fell.]

Mr. SABATH. Mr. Speaker, as there is no opposition to the rule, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

Mr. SUMNERS of Texas. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the joint resolution (S. J. Res. 90), to amend the joint resolution approved June 16, 1938, entitled "Joint resolution to create a Temporary National Economic Committee."

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the joint resolution (S. J. Res. 90), with Mr. LEAVY in the chair.

The Clerk read the title of the Senate joint resolution.

The CHAIRMAN. Without objection the first reading of the joint resolution will be dispensed with.

There was no objection.

The CHAIRMAN. The gentleman from Texas [Mr. SUMNERS] is recognized for 45 minutes.

Mr. SUMNERS of Texas. Mr. Chairman, I yield myself 30 minutes.

Mr. Chairman, this proposed authorization has to do with an important work that the Temporary Economic Committee is undertaking. I suppose everybody will agree that in this country we are more or less at the crossroads and must determine very soon which direction we shall go. There are a large number of people in this country who believe that the desirability, feasibility, or possibility of controlling our economic activities by competition is ended. The total of those holding these views are many. They think that method is out of date. There are other people who do not agree with them. Regardless of the views which we have, we all appreciate the importance, the necessity of making that decision soon.

It has already been mentioned in the discussion of this bill that in the last Congress the President sent a message to the Congress asking that there be established a committee composed of agents of the executive branch of the Government to make certain investigation. As a final development Senator O'MAHONEY and myself and representatives of the executive branch of the Government had a number of conferences. As a result of those conferences the bill, which it is proposed here to amend, was agreed upon and finally became law, providing for the creation of this committee, fixing its duties, and so forth. That committee was composed of six members from the executive agencies and six members from the legislative branches of the Government.

You are all familiar with the scope of the responsibility which was given to that joint committee. If it had been a matter which I could have controlled in the first instance, it would probably have been conducted entirely by the legislative branches of the Government. At least the joint committee, if I may so designate it, should have been given control of the expenditure of the funds. But we are not dealing with this matter as in the first instance. Besides

I am by no means certain that the arrangement which we may not agree with in theory is not proving to have been fortunate in our peculiar circumstances at this time. I am certain in my judgment that however that may be we should not change it now after we have organized and proceeded thus far under the law which the Congress enacted. My good friend from Michigan [Mr. MICHENER], for whom I have great respect and friendship, is going to offer an amendment to provide that this additional authorization shall be expended entirely by the committee. For the reasons which I have indicated I hope that amendment will not be agreed to. The Congress, in passing the original legislation, provided that four-fifths of the \$500,000 should be expended under allocations made by the President to the executive agencies charged with the responsibility of making the investigation in the first instance, and \$100,000 to be expended by the committee as a whole.

Under that act, passed by the Congress, that money has been largely expended. There are two reasons why the amendment proposed by my good friend from Michigan [Mr. MICHENER] should not be adopted. In the first place, whatever may be the theory, there is pretty general satisfaction in the country as to how the business of this committee has been carried on. That is quite important. In the second place, the adoption of this amendment would mean scrapping a great deal of the organization and a great deal of the work already done, because under our legislation these departments charged with making the investigation have organized their forces and have spent most of a half a million dollars carrying out the commission of the Congress. Do not forget that. Whatever may be said, these executive agencies are acting under the authority and the mandate of the Congress. I would like to have that understood. I will repeat it. I want you to remember this when you come to vote on the amendment which will be offered by the gentleman from Michigan [Mr. MICHENER] that the activities which have taken place have taken place under the authorization and direction of the Congress of the United States.

It is our money that has been spent while they have been working at a job which the Congress directed them to perform. It is not urged here that they have not done the job well. These agencies have organized their staffs as we have authorized and spent this money as we intended. The work is not finished. As a practical proposition I submit to each of you individually if you had the responsibility of conducting this investment and were proceeding through an organization which you had set up, would you stop in the middle of the investigation, having spent a half million dollars, tear up your original organization and make it necessary to create a new organization and start anew, losing time, wasting money, and probably lessening efficiency? You would not do it.

The next thing I bring to your consideration is the composition of the committee. As I have indicated, I think it has been very fortunate in our present circumstances that the committee was constituted as it was; in other words, I think it is a good thing that there have been six members from the legislative branch and an equal number from the executive branch sitting side by side and working together in this particular investigation. I will tell you why I think so, and it was to me a very interesting thing, the departments of the Government are beginning to untangle themselves and to move toward a resumption of their normal functioning. In the beginning of this administration the people of the country, recognizing that we confronted a great emergency, by common consent concentrated emergency power in the Executive to deal with the emergency situation. In my judgment, that would have happened regardless of who was President, regardless of what party was in control of the House or the Senate. It is a sort of instinctive thing that takes place among our people under our system of government which makes it possible for us to escape the necessity of having to have a dictator when conditions require a quicker set-up and stronger power than our institutions normally afford. This is a very interesting fact. There is another which is equally

interesting. I think unquestionably that anybody who has kept his senses recognizes that the time must come—in fact it is here—when we must begin the resumption of normal functioning of our institutions. These distinct but coordinate branches of the Government are not accidents, they are the vital organs through which our system of government functions.

The legislative branch of the Government during these last 6 years has not been functioning normally, and when I say this it is not in criticism of anybody. Everybody who understands the fact knows this is true, and if he understands anything about the nature of our system of government and the natural laws which govern it he knows also that we have got to go back to normal functioning or lose the power normally to function. It is rather fortunate, in my opinion, as I have indicated, that in the transition period, this period of readjustment, it has come about that three Members of the House and three Members of the Senate are sitting together with representatives of six executive agencies of the Federal Government doing a particular job through which we get a better understanding of each other, a better appreciation of each other, establish a sort of interchange of mutual understanding and respect, a better chance to do teamwork dealing with the big problems of government. I am happy to say that the thing has worked out differently from what I feared it would, due as much to the spirit and cooperation of the Executive as to the legislative personnel.

I am very much interested in this situation, in this hopeful demonstration of what happens to the attitude and efficiency of people when they pool their intelligence, their experience, their judgment, and their effort in a common cause. We have got to have a lot of that if we run through without a smash. Whether we be Democrats or Republicans, I do not believe anybody who has got practical sense fails to recognize the fact that the job ahead of us is going to require all that the Democrats and all that the Republicans of all the departments can do to solve it. [Applause.] We fight out our political battles here and in the country. That is to be expected.

It is a good thing to have somebody in opposition. It is a sort of check and balance. Not only is that true here but it is true with reference to the work of the executive branch of the Government and the legislative branch of the Government; and the executive branch of the Government had just as well understand—I mean if there is anybody who does not understand it—they had just as well understand that the Congress is going to begin to perform its normal constitutional functions as the legislative branch. It must do it. It has to do it or lose its power to function, because power will not remain where it is not used. This is not said in criticism of everybody. I tried to make it clear that this condition generally out of which we are moving would have developed whether the Republicans had had the Presidency or whether the Democrats had had the Presidency, because it had to happen to deal with our situation. But it is necessary now that the legislative branch of the Government come into its full responsibility, because the President himself is going to need all that an independent, patriotic, cooperating legislative branch of Government can do; and we are going to need all that we can do plus all the Executive can do, and plus all that the people can do. For this reason I believe it is rather fortunate that this particular committee right at this more or less pivotal point when there is too much misunderstanding has been made up of these six men from the executive branch and six men from the legislative branch.

I think the whole country owes a great deal to Senator O'MAHONEY for his activity with regard to this matter; and let me say now that the spirit of the executive agencies of the Government connected with these matters has been as fine as anybody could expect. I am glad to say that they conceded that the legislative branch of the Government ought to have equal representation—I mean the men who were designated to do this work. We have gotten along all right over there in the work of the committee.

They did bring in the suggestion that about \$2,000,000 be authorized. Neither Senator O'MAHONEY nor myself nor my

colleagues, the gentleman from Missouri [Mr. WILLIAMS] or the gentleman from Tennessee [Mr. REECE], favored that amount. We all talked it over, and we did not do it in any combative, fussy sort of way. We and our colleagues of the executive branch of the Government talked it over and came to an agreement that we would not ask for more than \$600,000. We agreed in the Judiciary Committee of the House, the Democrats and the Republicans on that committee—and we have the finest committee in the world, bar none—we agreed, Democrats and Republicans agreed, that we would just ask for this \$600,000.

As to the work we have done: I assume that most of you know in a general way from the newspapers the character of the investigation that has been conducted, and you know from the newspapers the character of the investigation that it is contemplated will continue to be conducted. Whether this committee will do this work properly only the future can determine, but the fact is that this committee is charged with the most important responsibility perhaps, considering the economic condition of the country and the decisions the committee will have to make—of any similar group of people working in the Government today.

Mr. WALTER. Mr. Chairman, will the gentleman yield?

Mr. SUMNERS of Texas. I yield.

Mr. WALTER. The gentleman is far too modest. He gives the credit to Senator O'MAHONEY. The credit should go to the gentleman himself.

I think we all realize that our distinguished chairman, the gentleman from Texas [Mr. SUMNERS] is the man to whom this House owes the credit for having the situation exist as it does today. May I ask the gentleman whether or not it is in the contemplation of the committee to look into the manner by which the American Can Co. is driving out of business every small manufacturer of containers in America today through the distribution of machinery that costs from \$5,000 to \$7,000 for the sealing of cans? Obviously, a small manufacturer cannot compete with the American Can Co. Today the American Can Co. is able to go to every purchaser of containers, with the offer of the use and the free servicing of this very expensive machinery and it is able to secure the cream of this business.

Mr. SUMNERS of Texas. I appreciate very much the compliment of the gentleman.

With regard to that particular investigation, I would not like to speak with any authority because I am not authorized; but I may say to the gentleman it is contemplated that the whole field of practice in trade and industry will be investigated, so that when we come to deal with it we will have a complete picture of the economic life and the functions of its machinery in this country so far as business is concerned.

Mr. HEALEY. Will the gentleman yield?

Mr. SUMNERS of Texas. I yield to the gentleman from Massachusetts.

Mr. HEALEY. I think some of the Members are anxious to learn what time this committee will make a report of its activities. I mean approximately.

Mr. SUMNERS of Texas. I may say to the gentleman it is contemplated that very soon a sort of preliminary report will be made with reference to what the committee has done and possibly some suggestions made as to remedial legislation; but the final report will be deferred until the conclusion of the investigation. May I say further, I believe the business interests of the country feel rather gratified that this sober, serious work is being done now so that when we enter upon a program we will do it deliberately, with the facts fully understood, and what has to be done will be accomplished with a surgical instrument as distinguished from a meat ax.

Mr. MICHENER. Will the gentleman yield?

Mr. SUMNERS of Texas. I yield to the gentleman from Michigan.

Mr. MICHENER. I agree with what the gentleman stated so far as the business interests of the country are concerned. May I add further that the fact the gentleman from Texas [Mr. SUMNERS] is a member of the committee is one of the contributing factors to that feeling.

May I ask the gentleman this question: The committee asked for \$2,000,000 in the original resolution. Then it was developed it could not use this \$2,000,000 during the life of the committee as now authorized. Is it the gentleman's judgment that in the next Congress or before that time the committee will come back and ask for a continuation of life with an additional appropriation?

Mr. SUMNERS of Texas. I cannot answer as to what the committee will do, but I do not hesitate to answer the gentleman's question so far as my own attitude is concerned. My own attitude is to crowd this investigation as rapidly as it can be made thoroughly. I do not now see any reason why at the conclusion of the expenditure of this money we should not have been able to make sufficient investigation to give the country a picture of the conditions as we find them and to make such recommendations with regard to legislation as the facts indicate.

Mr. MICHENER. That being the situation, does the gentleman have any serious objection to going back to the usual form and giving the committee discretion in the spending of this additional money, the same as every other investigating committee in all history has had?

Mr. SUMNERS of Texas. As an original proposition, I would not, as I tried to explain; but I suggest to the gentleman from Michigan, who is a good businessman as well as a good lawyer, that when you have an investigation in progress, and that investigation, whatever your theory may be, seems to be going along well under a law and an authority which the Congress has given I would not change. There is good teamwork; we have spent a half a million dollars getting the thing started, building up our organization in the departments. The work is far progressed. In my opinion, in such a situation it would not be good judgment, it would not be good legislation to change in the middle of the investigation. This investigation is being conducted under the authority, the direction, and as fashioned by the Congress. Nothing which the executive agencies which we told to do this work have done would justify this change. It would not help the development of the proper interdepartmental feeling of copartnership in a common responsibility which is ours or a proper teamwork if we are to win through. We have spent a half million dollars. These executive agencies have their organizations at work. They are doing a good job. We ought not to change the situation.

Mr. ROBSION of Kentucky. Will the gentleman yield?

Mr. SUMNERS of Texas. I yield to the gentleman from Kentucky.

Mr. ROBSION of Kentucky. May I ask the gentleman if Senator O'MAHONEY did not say to our committee that in his belief the \$600,000 would be sufficient, and that a final report would be made, say, at the beginning of the next Congress?

Mr. SUMNERS of Texas. I believe Senator O'MAHONEY did say that. I am sure that Senator O'MAHONEY entertains the hope that will take place and I believe he thinks it can be done. In my opinion, Senator O'MAHONEY will do what he can to bring about that result.

Mr. MAY. Will the gentleman yield?

Mr. SUMNERS of Texas. I yield to the gentleman from Kentucky.

Mr. MAY. I understand this investigation is perhaps not meeting with strenuous opposition from business and industry, at least legitimate business, and that probably it will result in a report which will ultimately bring about legislation correcting a good many evils in the way of trust conditions. There is another angle to it, however. May I ask the gentleman from Texas whether or not his committee has made any study of this particular feature. We have in the Department of Justice what is called an antitrust department, or branch of that service. Certain public officials at the head of that department or connected with that department have recently been starting prosecutions against large industries that are supposed to be in an unlawful trust or combination, or engaging in some vicious practice. As a result of these criminal prosecutions that have been instituted, they have been procuring judgments by which these practices can be regulated. Does the gentleman think he should look into that situation

to see whether or not the criminal statutes should be resorted to in order to coerce business into submitting to certain decrees?

Mr. SUMNERS of Texas. I do not know the scope of this investigation. However, it really does not contemplate in the first instance an investigation of departmental practices discharging their particular constitutional responsibilities.

I want to make this additional statement: Under the present arrangement these executive agencies are able to utilize a great deal of their accumulated information and a considerable part of the time of members of their staff.

In the absence of any further questions, I believe I shall reserve the balance of my time.

Mr. O'CONNOR. Mr. Chairman, will the gentleman yield?

Mr. SUMNERS of Texas. I yield to the gentleman from Montana.

Mr. O'CONNOR. I fully agree with the gentleman's statement that we are at the crossroads and must pursue one course or the other, and try to have Congress assume its functions in this country, without dictation from bureaucrats. The thought has come to me that we have too much government by the departments, too much bureaucratic government, so to speak. In other words, if you submit a bill to a committee the first thing the chairman usually asks is, "What report is there from the department concerning this bill?" Ordinarily, if the report from the department is adverse that ends the bill. The same thing is practically true if we are seeking an appropriation for something in our district about the necessity for which we know a great deal more than anyone here in Washington. If the Bureau of the Budget states it is not in accordance with the plans of the President, as a rule the application is denied.

The thought occurs to me that Congress is not exercising its function when it permits a department of the Government to dictate what laws shall be passed or shall not be passed.

Mr. SUMNERS of Texas. May I say to the gentleman that sometime, with the indulgence of the House, I will be glad to present for your consideration some ideas I have on that subject? I agree we have too much governmental responsibility concentrated in Washington. As long as we have more governmental responsibility in Washington than we can take care of through our ordinary machinery functioning as it was contemplated it should function, I do not see any other way to take care of the overhead than to create these departments and bureaus and turn over to them powers we wish they did not have. I do not want to get into that subject now, however.

Mr. HARE. In view of the gentleman's statement there—

Mr. SUMNERS of Texas. Not that one. I do not want to pursue it further.

Mr. HARE. I will ask this question then, changing it around: I understand the legislative members are sitting in with the executive members of the committee now under consideration. I should like to know for my personal information, because of the high regard I have for the ability of the legislative members of the committee, Are the legislative members actually or theoretically sitting in with the other members of the committee?

Mr. SUMNERS of Texas. Does the gentleman mean in making the investigation in the first instance?

Mr. HARE. Yes.

Mr. SUMNERS of Texas. No; not making the investigation in the first instance; but I do not want to stop there because that would give the wrong impression. It is the responsibility of the executive agencies to make the exploration in the field under their set-up and then to bring the witnesses and the facts and submit them to the full committee. Certainly at that point and at that time and in that capacity the legislative members take full responsibility with their colleagues from the executive branch, and we get along very well, too, I may say to the gentleman.

Mr. HARE. May I ask whether or not the legislative members have some voice in determining the field of exploration by the committee?

Mr. SUMNERS of Texas. Yes. [Applause.]

[Here the gavel fell.]

Mr. GUYER of Kansas. Mr. Chairman, I yield 5 minutes to my colleague the gentleman from Kansas [Mr. REES].

Mr. REES of Kansas. Mr. Chairman, I realize that in following the distinguished gentleman from Texas, the chairman of the Committee on the Judiciary, I am facing a rather difficult task. I, as well as other Members of the House, have implicit faith in the chairman of that committee, as well as its membership.

I am not here this afternoon to oppose the work of this investigating committee. I believe such an investigation is justified, and assume they are doing a good piece of work. However, I do not think it should be necessary to spend a million dollars to secure the information this committee seeks. If the departments of our Government would properly function, the work of the committee would not be such a stupendous task. I am firmly convinced that it is not right for us to place most of this appropriation in the hands of a Chief Executive for the direction of its expenditure.

This bill provides for the authorization of \$600,000 for a Temporary National Economic Committee to continue its investigation, started about a year ago. This Congress authorized the expenditure of a half million dollars for this purpose at that time. The committee said it would be enough. It should have been. Now, they tell us it will take \$600,000 more to continue the investigation. As a matter of fact the first resolution introduced on this subject asked for \$2,000,000. It seems to me that the situation is almost an indictment upon Congress itself—when, in view of all the departments and expensive bureaus we have created—it now becomes necessary to spend more than a million dollars to make investigations as to whether or not there have been certain infractions of the law, whether or not regulations have been violated, and to what extent, and then determine what legislation, if any, should be passed. I know the investigation is an important one—but a million dollars is a lot of money.

We are told it is necessary to go outside the departments of our Government and employ some 460 investigators to help determine these questions. One of our distinguished Members told us just a few moments ago that there had been violations of the law by a certain great monopoly. Then he asked whether or not this committee expected to investigate the case. Why not file a complaint with the Department of Justice and have that particular concern subjected to an immediate investigation?

In passing, let me call your attention to another thing—the committee has spent \$500,000. We have no report of that expenditure. Nothing to tell us what has or has not been done. They say "We do not have a report ready, but you have read the newspapers and know we are conducting an investigation that is worth while." They also tell us that they have not only spent the \$500,000, but have also promised to spend the additional \$600,000 which we are considering today. The distinguished chairman says he hopes the additional \$600,000 will be sufficient—but mind you, if we are here next year, you will find that another expenditure will be required in order to continue the work of this committee.

Mr. GUYER of Kansas. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. REES of Kansas. So, in one hour and a half this afternoon, you are going to spend \$600,000 or a little more than half a million to continue one more investigation. I do not know how many investigations this Congress seems to need, but I would like to say again that it seems wholly unnecessary that Congress should have to go outside of its departments and spend so much money to secure this information.

A few days ago we agreed to spend several thousand dollars to investigate the manner in which employees of our own Government are administering the fund provided for the relief workers of this country. Every few weeks we appropriate money to make investigations of various kinds, most of them being warranted, but extremely expensive.

We have another situation with reference to the expenditure of this fund. The act provides that four-fifths of it shall be spent by the Chief Executive. In other words, Congress provides for the investigation. Congress provides for the appointment of the committee and then places \$480,000

of this money in the hands of the Chief Executive so that he may direct the use of it where he chooses.

I am interested in what the gentleman from Texas had to say, and I want to agree with him in one of his statements—

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I yield for a question.

Mr. DONDERO. What reason is given for the committee itself not expending the money provided for in this resolution?

Mr. REES of Kansas. Oh, the only reason given for the committee not expending it is because they are doing just like we have done in other cases—appropriated money and then handed it over to the Chief Executive. We have done it over and over again. I believe if Congress appropriates the money, it ought to provide for the expenditure of it. This resolution gives four-fifths of the fund to the Chief Executive and says in substance "You are better qualified to handle this money than even the members of the committee or of Congress itself." I do not know of any other reason. As a matter of fact, it is only an excuse as I view it.

I agree with the chairman of the committee when he said a while ago that the time has come—I believe it is long past—when Congress ought to assert itself and do a little legislating of its own. It can then be responsible for some of the things that are done. Congress has depended upon someone else to tell it what it should or should not do, rather than use its own judgment. Certainly, we are not proud of our present situation. Let us for once get back on our feet and reassert ourselves and assume the responsibilities as Members of Congress.

Mr. MASSINGALE. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. Yes; for a question.

Mr. MASSINGALE. Commenting on the use of the money that has been appropriated by the Congress heretofore, the gentlemen certainly understood the chairman of the committee when he stated that the Executive had more than pleased the legislative branch of this committee in the division of these funds. There is no criticism about that, is there?

Mr. REES of Kansas. I do not know about that. I do not know how well pleased this committee has been, but I am saying to you that if Congress is going to appropriate the money for this investigation and provide a committee for that purpose—it ought to direct the expenditure of it, and not place it in the hands of anyone else. I think the gentleman will agree with me on that principle. He cannot give me any particular reason why \$480,000 should be handed to the Chief Executive and say to him, "Mr. President, we are handing this to you because you are better qualified, in our judgment, to handle the money, rather than have the Representatives of the Congress of the United States, who, after all, are going to be responsible for the investigation that is made, handle the money."

Mr. MASSINGALE. If the gentleman directed that to me as a question—

Mr. REES of Kansas. No; I did not. I said I think the gentleman would agree with me on that question.

We are going ahead and spend the \$600,000 just like we have spent money right along. Hardly anyone has spoken against it. This Congress has been increasing appropriations and authorizations rather than reducing them. We are going to treat this measure in the same way. We will probably spend more money for the same purpose, but somewhere sometime we are going to have to begin cutting our expenditures. Members of Congress, this is a good place to trim an authorization a little. At least let us adopt the amendment of the gentleman from Michigan, providing that Congress for once shall spend the money it authorizes, and not let it go into the hands of anyone else.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. GUYER of Kansas. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. CRAWFORD].

Mr. CRAWFORD. Mr. Chairman, after making one or two observations I desire to submit a question to the dis-

tinguished gentleman from Texas [Mr. SUMNERS]. In recent months I have been very much impressed with certain facts setting forth past performance which have appeared in print. For instance, the appalling absence of new capital going into our industrial system, or, as some prefer to call it, our capitalistic system, and which I think gives us a yardstick for measuring the blood stream of this system, which has built our country to what it is today. I think that this investment of new capital directly relates to unemployment and our relief problem. It deals with the question of savings in our banks and our whole banking and monetary system. I refer all who are interested to the amazing statement of the Federal Reserve Board issued April 8, 1939, and in the form of an appeal addressed to the chairmen of the House and Senate Banking and Currency Committees. According to the annual reports of the Securities and Exchange Commission, we, in the year ending June 30, 1935, put into our capital structure new capital amounting to only \$205,000,000; in 1936, \$327,500,000; in 1937, \$890,000,000; and in 1938, only \$457,000,000. So far this year we are putting in an insignificant amount. For 2 or 3 years prior to those I have quoted, we put into our capital structure practically nothing in the way of new capital—for plant expansion and working funds—dropping as low as \$161,000,000 in one year. I am here referring to the investment of new capital largely used for expanding plant and equipment and increasing working capital—old and new operations.

We find from the Alexander Hamilton Institute and the American Federation of Labor, on pages 4091 and 4092 of the CONGRESSIONAL RECORD, the appalling, staggering figures, with reference to unemployment, running from 1930 down to February 1939. On pages 4129 and 4133 of the RECORD we find that our people have in excess of \$50,000,000,000 in savings.

I get the distinct impression that we are in this country folding up and moving out of the capitalistic system upon which we have depended in prior years. Government ownership, insurance, subsidy, and management are moving in. I am not saying that the book is being closed and locked, but I am saying that it is folding up, and the question I wish to ask the gentleman from Texas is this, if it is within the ethics of the committee to divulge such information at the present time? Have the gentleman and his committee, so far as they have gone in this investigation, uncovered or discovered elements which he feels will in due course, after Congress acts or fails to act, straighten out this situation and put us in a more hopeful day than the last decade indicates? I make this inquiry in the light of the April 8, 1939, release of the Federal Reserve Board and with its sincerity and all of its implications.

Mr. SUMNERS of Texas. Mr. Chairman, I would not take the responsibility of indicating now that the committee will be successful in discovering the solution of the situation to which my distinguished friend has called attention. I do believe that each member of the committee fully appreciates the tremendous importance of the fact the gentleman has referred to. Personally I consider that the exploration of that field or the possibility of making discovery in that field would aid considerably in the solution of the problems confronting the committee, as it appeals to me. That is as far as I can venture in my reply.

Mr. CRAWFORD. Mr. Chairman, I wish to thank the gentleman for his frankness and his answer. Again referring to the statement of the Board of Governors, I must, after reading its observations, along with previous statements by it made under date of March 11, 1939, and in recent Federal Reserve bulletins, come to the conclusion that the Board feels there is need for a sweeping inquiry into matters not being covered by the gentleman's committee.

The Board in its last release is very emphatic and goes so far as to say that it would welcome a reexamination of its own conclusions and a study of the factors that obstruct the flow of money through the channels of investment, production, and distribution. If the Banking and Currency Committees of the House and the Senate fail to respond to

the urgent and repeated requests of the Board of Governors, it might be quite in order for the gentleman's committee to act promptly and aggressively and thus endeavor to lend such assistance to the Board as it deems vital and important to all the people. If we do face a situation wherein Congress will not respond to the urgent requests of the Board, then certainly we have no right to further criticize the Board for such disastrous happenings as may occur. The Board has given us fair and ample warnings and has appealed to us for assistance and consideration. We should act and do it now.

Mr. GUYER of Kansas. Mr. Chairman, I yield now to the gentleman from South Dakota [Mr. MUNDT].

Mr. MUNDT. Mr. Chairman and my colleagues, there are two vital problems confronting this Congress which are so vast in their significance and so important in their scope that they overshadow all other business before us. These problems are so serious that we could well devote a part of every day to discussing them and it is unnecessary to go beyond the sixth letter in the alphabet to come to either one of them. I refer to the foreign policy of the United States and to the farm program of this country. Until and unless we arrive at a sound and sensible understanding of these two problems and openly advise our constituents what our continuing policies will be concerning them, this country cannot go forward to the economic prosperity and domestic tranquillity which we all seek.

Our most important challenge, of course, is that demanding that each of us does his part to keep America out of war, to keep this Congress immune to the propaganda of warmongers and internationalists with whom this country is again seething, and to work out an open, honest, and stable foreign policy which will avoid all forms of entangling alliances and protect us against a repetition of the hideous experiences of 1917. We must seriously and soberly dedicate ourselves to a reaffirmation of America's traditional policy of nonintervention and we must stubbornly resist the scare cries of alarmists and excitable exhibitionists who are trying to coax us into an inflammable state of mind and to inject us into the war-making controversies of other continents.

And next to the problem of protecting our peace comes the problem of developing a sound and sensible farm program for this country which will give equality of opportunity to the farmers of America. By giving equality to the farmers of this Nation we shall have restored an honest purchasing power to one-third of the population of America, and by restoring agricultural prosperity we shall have developed a national-defense program which will aid us not only in guarding against enemies from abroad but which will protect us against the invasions of inimical ideas from within this great country of ours.

This Congress is vitally interested in this number one domestic problem of the United States. I am sure that it recognizes that the time has come when suitable farm legislation must be written into law and that all of us are eager to solve the farm problem since it remains as the first step which must be taken in any program to successfully recover from our 9-year-old depression.

Consequently, I am inserting in the RECORD this afternoon in connection with this talk an interesting letter which I have recently received from an actual dirt farmer in South Dakota whose comments and conclusions merit the study of every Member of this House.

I am one of the co-authors of the cost-of-production farm bill introduced in this session of Congress and which, in my opinion, will give American agriculture the first honest break it has had since 1926. Many of you agree with me; some of you honestly disagree. Regardless of your position at this time, my colleagues, I think you will find it thought-provoking to read Mr. Hansen's analysis as you will find it attached to these remarks and, after that, I hope you will join in signing the petition now on the Speaker's desk bringing the cost-of-production bill before this House for consideration and debate.

This Congress must not adjourn with the agricultural problem remaining unsolved—by getting the cost-of-production bill before us for action and amendment we will be

taking a definite step toward the solution of the number one problem of America.

Today's disastrous farm prices bear their own testimony that the present-day farm policies of curtailed production at home, combined with enlarged imports of farm products from abroad have not given the farmers a fair break. Since economic prosperity cannot come to labor and industry until the producers of new wealth—our farmers—are given a decent and fair income so they can buy the products of labor and industry, it is high time after 9 years of stalling that we start back on the road to prosperity by destroying this depression at its roots through a sensible solution to the farm problem. To this end, I am sure you will be interested in the following letter which was written to me by Peter V. Hansen, of Salem, S. Dak., who is neither a professional farm organizer nor an agricultural theorist, but who is an actual farmer with a sound mind and a strong back, and he exercises both of these assets in the interests of self-improvement by both working his own farm and studying the economic situation into which the products of his labors must be sent after he completes each harvest:

COST OF PRODUCTION CLUB,
SALEM, S. DAK., March 29, 1939.

HON. KARL MUNDT,
Washington, D. C.

DEAR MR. MUNDT: I have had numerous requests for copies of H. R. 2377, known as the cost-of-production bill, which was introduced by you in the House of Representatives in the early part of the present session, and I would be very pleased if you would send me a few copies, so that I can fill those requests.

It is very interesting to read the statement made by Secretary of Agriculture Henry Wallace, that the cost-of-production plan would cost the consumers \$1,000,000,000 a year. Does that statement convey the message to the Members of the United States Congress that the farmers of this country are feeding the people in the United States at an annual loss to the farmers of \$1,000,000,000, and if it does, how long does the Congress intend to let a condition like that prevail?

It is not my intention in this letter to unduly criticize what has been done or tried in the past. I am merely stating the true facts and conditions as they are in the hope that it may help correct the fallacious agricultural theories which are—and have been for 6 years—advocated by bureaucrats and importers of foreign agricultural products.

I have always believed that as a nation we should keep an inventory of what we have on hand of various products needed to sustain the Nation; consequently I am one of the many who each month furnish the Government with a report on crops, prices paid to the farmers, and conditions relating to and affecting crops. Each month I receive in return from the Department of Agriculture a summarized report covering the State of South Dakota and also the whole United States.

I am sending to you a little edition—covering the month of February—which I also receive each month, and I ask you to give it your most careful study. In this little edition you will find three tablets giving various figures, and you will notice that the period used as a base for the first two is that of 1909 and 1910 to 1914, while the base period used in the tablet on page 8 is that of 1924 to 1929.

On page 2, under the heading "Prices down," I ask you to read the third paragraph, which says: "The index of grain prices was unchanged during the month, but at 66 percent of pre-war it was 23 percent, or points lower than on February 15, 1938." I want you to bear this in mind for a moment and then take a look at the table at the top of page 3. (See exhibit I.) This table has the pre-war base period of 1910-14 as 100. Then we find at the bottom of the column marked "Prices received," the figure 92 for the month of February 1939. We have just read the statement on page 2 that grain prices during the same month were only 66 percent of pre-war prices; to bring the figure up to 92, it would be necessary that some farm products brought prices well above 100; this, however, has not been the case, as we will discover by reading the table at the bottom of page 3, under the heading "Prices of farm products." (See exhibit II.) In column 2, under the heading "February average, 1910-14," we find the prices paid during that period, and in column 5, under the heading "February 1939," we find the prices paid during that period, but the figures given in this last column are considerably above the prices paid to the farmers in South Dakota; in fact, most of these figures are identically the same as the market quotations in Minneapolis and Chicago. Now let us compare the figures given in the last column under "Parity prices, February 1939," and we will see how hopelessly far from being a help to the farmers the new A. A. A. is. I should like to have you observe on page 3, under "Employment," that on February 1, 8,914,000 people were employed on the farms in this country. Three million more would be added to this figure if the farmers were paid a price equal to cost of production. I have work for two men the year round, but I cannot afford to hire one. I should also like to have you observe the table appearing on page 8. (See exhibit III.) This table has for a base period the years of 1924-29 used as 100. Note carefully the title of the items listed in this table; note that the national income for 1939 is given as 90.3 percent of that of the base

period; that nonagricultural income is given as 92.3 percent of that of the base period; that the purchasing power of nonagricultural income per capita for food is given as 100.2 percent of that of the base period; and please also note that the cost of food (the farmers' product) is given as 74.6 percent of that of the base period. Under the heading of "Wheat" we get the information (see exhibit IV) that the prospects are that we will have a carry-over of 285,000,000 bushels of wheat by the 1st of July; this will no doubt be called a surplus; but is it? It amounts to a little more than 2 bushels of bread grain for each person in the United States. This is not even a reasonable reserve for a nation as big as ours; without an adequate supply of food our national defense will weaken quickly in case of actual combat, for even today, under our New Deal, a soldier fights on his stomach. Suppose we should have a year like 1936, and at the same time a major war should materialize, and we had only a carry-over of 285,000,000 bushels of wheat, why, we would curse the day we ever took an acre of wheat out of production. In reading this little edition this thought comes to my mind: "Who is trying to fool who?" All the bureaucrats and all the so-called agricultural experts in Washington, D. C., cannot fool the farmer; when he looks at his records and his pocketbook he knows where he is at. He is dealing with actual facts, not theories. Let me submit a few of the practices that are being carried out under the new Farm Act.

In 1937 one of the soil-conservation committeemen in this (McCook) County discovered that he could make a good thing out of the benefit payments if he worked it right, so he persuaded a number of his friends and relatives to sign up on the new farm program and had them take the soil-conserving acres out on his farm, and when the check came they signed it over to him, he had his whole farm laying idle, he had no farming expense and collected about \$1,000 in benefit payments. How did that system conserve the soil on the farms of his friends and relatives?

The same year a young man in Hanson County rented eight farms with a total of 1,200 acres, and this is what he said, "I will just spread my seed out thin so it will reach and then run over it light with the tractor, if I get a half a crop fine and dandy, but at any rate I will get \$800 from the Government."

This year one of our neighbors has rented a total of 800 acres and he is making exactly the same statement as the young fellow in Hanson County did except he will get about \$1,000 from the Government, he does not intend to try to do a good job, he intends to do his work as cheaply and lightly as he can, just to qualify for the benefit payment. Nothing is more damaging to the soil than that kind of farming. There used to be a keen competition among the farmer-tenants as to who could do the best job farming, because the best farmer could generally rent the best farm, and that was a healthy condition, but now under this prolonged home-made depression and the new farm program, that healthy condition has almost completely disappeared. In 1932 we were promised prices in excess of cost of production, and since then we have been promised parity prices, but instead of getting either one, we have been getting advice from a bunch of bureaucrats and so-called experts, who want to tell the farmers how to farm, the farmer who has a lifetime of practical experience to his credit, the farmer who has the benefit of his father's and his father's father's experience before him, still these bureaucrats, who no doubt would starve to death if they had to live and make their living on a farm under the same conditions (financially and otherwise) as the average farmer has to do, still these gentlemen want to tell the farmers how the farming should be done, and what is the reason farming does not pay out. In this little table below I will show just why farming does not pay its way.

1938

Product	Acres	Normal crop in bushels	Parity price per bushel	Market price paid to producer in the fall
			Cents	Cents
Rye.....	20	300	90	31
Oats.....	65	1,625	50	12
Barley.....	135	4,050	67	24
Corn.....	85	1,445	80	32

HOW IT PAYS OUT

Product	Total crop	Total parity value	Total marketing receipt	Farmers' loss
	Bushels			
Rye.....	300	\$270.00	\$93.00	\$177.00
Oats.....	1,625	812.50	195.00	617.50
Barley.....	4,050	2,713.50	817.20	1,496.30
Corn.....	1,445	1,156.00	505.75	650.25
Total.....		4,952.00	1,600.95	3,341.05

In the above I have given a true illustration of what happened to me in 1938, and what is true in my case is equally true in regards to every other farmer in this community. We farmers do not care about what political-minded farm leaders tell Congress; we do not care what all the bureaucrats and so-called farmer experts tell Congress; we are dealing with actual facts. Henry Wallace stated that the cost-of-production bill would cost the consumers

of the country \$1,000,000,000 a year. May I submit to you that the present farm program is costing the consumers (the taxpayers) that much or more in direct taxes and many times that amount indirectly in various manners, and the program does not bring the results which it was claimed by its sponsors it would. We farmers have patiently carried out the program advocated by Henry Wallace for 6 years, and it is a proven failure as far as we common farmers are concerned; if Henry Wallace does not have the good grace to admit that the new A. A. A. has utterly failed to place agriculture on a self-sustaining basis, is the United States Congress going to continue to sacrifice the American farmers just to save someone's face? The economic truth is that the price of everything sold except agricultural products is based on the cost of production; business can function in no other manner; it is the economic law of business; and the same economic law applies to agriculture. There is no substitute for cost of production; the so-called parity price is a myth if it is not equal to at least cost of production, because out of his parity price the farmer would have to pay some 20 to 25 hidden taxes that have been handed down to him in the price he pays for what he buys, and after he has paid these hidden taxes he does not have a parity price; on the other hand, if a cost-of-production price is guaranteed to the farmer by law these hidden taxes would be included in the cost of production and in this manner be carried all the way through the cycle to be absorbed by the general public, and the farmer would be paying only his just share.

I could write on this subject the rest of my life, but let me conclude by saying this: We farmers want Congress to pass a cost-of-production bill that can stand on its own merits without being bolstered up on huge annual appropriations of the taxpayers' money, and if Congress will do that, within a short time we farmers will take at least 1,500,000 unemployed out of the breadlines. Compare that with the W. P. A. appropriations and the appropriations needed under the present farm program. We will do our duty to our country if we are given an opportunity, but we do not want subsidies, and we do not want what the Honorable Miss SUMNER from Illinois the other day so aptly called "a substitute for justice." It is no longer satisfactory to state that the present condition is due to causes over which we have no control, that it is caused by international strife. The present prolonged depression is a home-made product, and it is within the power of Congress to put an end to it if it sees fit.

Squarely on the shoulders of the present Congress rests the responsibility of the continuance of this depression, for the continuation of a condition which compels the bread producers of this Nation to stand in the bread lines, a condition which compels healthy men and women to humiliate themselves and bow their heads in shame while they are asking for a little surplus or relief, a condition under which thousands of healthy men are eating their hearts out when they look at their hungry children, who are hungry only because their father is denied a job. The question is, Will the Seventy-sixth Congress do its own legislating, or will they let themselves be dictated to by bureaus and executive offices? All that is needed—and it was so aptly and plainly shown by Senator THOMAS of Oklahoma on the floor of the Senate on January 27, this session—is for Congress to give to the people of the United States an honest dollar that is worth 100 cents regardless of whose pocket it is in, and give the farmers a minimum price by passing the cost-of-production bill and the depression will be permanently over inside of 6 months.

Will the Congress do this? We hope so, but we are fearful that it will again let itself be influenced by selfish bureaucrats. Then let it be known to the members of the majority party that with them lays the responsibility of the outcome of this session—that they cannot borrow or tax this country back to prosperity, and that no party can continue to play politics with the misery of the masses and survive and stay in power. Pope, from Idaho, and McGill, from Kansas, played politics with the farmers' freedom, and Pope and McGill were retired by the farmers.

Respectfully and sincerely yours,

PETER V. HANSEN,
Secretary, Cost of Production Club.

The following exhibits are taken from the booklet entitled "Agriculture Situation," for March 1939, published by the Bureau of Agricultural Economics of the United States Department of Agriculture, and referred to in the letter from Peter V. Hansen, State secretary of the South Dakota Cost of Production Club. Figures and comments from this March booklet cover the agriculture situation for the month of February 1939.

EXHIBIT I. Index numbers of prices received and paid by farmers [1910-14=100]

Year and month	Prices received	Prices paid	Buying power of farm products ¹
1938:			
February.....	97	126	77
March.....	96	125	77
April.....	94	125	75
May.....	92	125	74
June.....	92	124	74
July.....	95	123	77

¹ Ratio of prices received to prices paid.

EXHIBIT I. Index numbers of prices received and paid by farmers—Continued

Year and month	Prices received	Prices paid	Buying power of farm products ¹
1938—Continued.			
August.....	92	122	75
September.....	95	121	79
October.....	95	121	79
November.....	94	121	78
December.....	96	120	80
1939:			
January.....	94	120	78
February.....	92	120	77

EXHIBIT II. Prices of farm products

[Estimates of average prices received by producers at local farm markets based on reports to the Bureau of Agricultural Economics. Average of reports covering the United States weighted according to relative importance of district and States]

Product	5-year average, August 1909–July 1914	February average, 1910–14	February 1938	January 1939	February 1939	Parity price, February 1939
Cotton (pound).....cents.	12.4	12.3	18.0	8.3	8.2	15.6
Corn (bushel).....do.	64.2	60.1	51.7	45.1	43.9	80.9
Wheat (bushel).....do.	88.4	89.2	86.6	57.1	56.9	111.4
Hay (ton).....dollars	11.87	12.02	8.71	6.79	6.78	14.96
Potatoes (bushel).....cents.	69.7	66.3	54.2	64.4	64.6	8.54
Oats (bushel).....do.	39.9	39.8	30.0	26.3	26.2	50.3
Soybeans (bushel).....do.	(2)	(2)	92.5	71.9	68.9	—
Peanuts (pound).....do.	4.8	4.9	3.4	3.4	3.4	6.0
Beef cattle (hundredweight).....dollars	5.21	5.11	5.80	6.68	6.86	6.56
Hogs (hundredweight).....do.	7.22	7.12	7.74	6.96	7.21	9.10
Chickens (pound).....cents.	11.4	11.1	16.0	14.0	14.2	14.4
Eggs (dozen).....do.	21.5	23.7	16.4	18.8	16.7	27.6
Butterfat (pound).....do.	26.3	27.4	30.5	25.2	24.9	33.8
Wool (pound).....do.	18.3	18.5	20.3	20.0	20.2	23.1
Veal calves (hundredweight).....dollars	6.75	6.77	8.23	8.30	8.73	8.50
Lambs (hundredweight).....do.	5.87	5.95	6.63	7.33	7.37	7.40
Horses (each).....do.	136.60	137.00	89.00	82.00	83.10	172.10

¹ Revised.² Prices not available.³ Adjusted for seasonality.EXHIBIT III. Measures of domestic demand
[1924–29=100]

	January				Percent change		
	1929	1933	1938	1939	1938–39	1933–39	1929–39
National income.....	104.4	60.0	89.2	90.3	+1	+50	-14
Nonagricultural income:							
Total.....	104.7	63.3	91.2	92.3	+1	+46	-12
Per capita.....	100.7	58.8	81.0	81.5	+1	+39	-19
Factory pay rolls:							
Total.....	105.0	40.8	75.9	84.2	+11	+106	-20
Per employed wage earner.....	101.3	63.2	84.8	92.5	+9	+46	-9
Industrial production:							
Total.....	111.4	60.9	74.9	94.6	+26	+55	-15
Factories processing farm products.....	107.8	90.9	86.2	106.5	+24	+17	-1
Other factory production.....	114.1	44.9	65.3	88.2	+35	+96	-23
Construction activity:							
Contracts awarded, total.....	99.2	18.2	43.0	71.1	+65	+291	-28
Contracts awarded, residential.....	86.9	7.2	23.3	48.4	+108	+572	-44
Employment in production of building materials.....	96.5	34.5	58.3	61.5	+5	+78	-36
Cost of living:							
Food.....	98.9	60.3	77.3	74.6	-3	+24	-25
“All other items”.....	98.4	82.5	86.2	85.8	(1)	+4	-13
Purchasing power of nonagricultural income per capita:							
For food.....	101.8	97.5	104.8	109.2	+4	+12	+7
For “All other items”.....	102.3	71.3	94.0	95.0	+1	+33	-7

¹ Less than 1/2 of 1 percent.

NOTE.—All indexes adjusted for seasonal variation except “Cost of living.”

EXHIBIT IV

WHEAT: STOCKS

Wheat stocks in the United States totaled 656,000,000 bushels on January 1. This was 123,000,000 more than at the beginning of 1938, and 284,000,000 more than on January 1, 1937. Stocks of all classes of wheat except soft red winter were larger this January than last, and much larger than the small stocks on January 1, 1937.

The January 1 figures indicate domestic wheat disappearance for the July–December 1938 period totaled 382,000,000 bushels, as compared with 386,000,000 during the same months of 1937. Ex-

ports were 45,000,000 bushels, compared with 41,000,000 in the like period of 1937. Assuming total disappearance for the full year at 700,000,000 bushels plus exports of 100,000,000, the United States carry-over of wheat on July 1 next will be about 285,000,000 bushels. This would compare with 153,000,000 bushels carry-over on July 1, 1938. It would be the largest carry-over since 1933.

Mr. GUYER of Kansas. Mr. Chairman, I yield 10 minutes to the gentleman from Tennessee [Mr. REECE], a member of the committee.

Mr. REECE of Tennessee. Mr. Chairman, in view of the comprehensive statement made by the gentleman from Texas, the distinguished Chairman of the Committee on the Judiciary [Mr. SUMNERS] and a member of the temporary National Economic Committee, I feel it is not necessary for myself or any other member of the committee to consume any considerable amount of time. The gentleman from Texas has explained the organization of the committee and the manner in which it is undertaking to perform the duties which Congress has imposed upon it.

Regardless of what may have been our views with reference to the manner in which the money should have been allocated when the original resolution was before the Congress, I feel that it would now be a mistake for us to undertake to effect a change. The committee has adopted its agenda. It has set into being the organization through which the work of the committee is being performed. This work is well advanced. It has been done acceptably, I think, to the country and to the business interests with which the study has come in contact. The committee is in entire harmony with reference to the manner in which the executive departments of the Government represented on the committee have functioned. For us now to undertake to change the organization after the work is so well advanced would not be in the interest of efficiency, and, in my judgment, would greatly handicap the committee. If the entire amount involved in this resolution should be given to the committee, I feel the committee would undertake to go ahead with the work and with the organization as it is now constituted. So I feel that the resolution as reported by the Committee on the Judiciary should be passed.

Mr. TAYLOR of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. REECE of Tennessee. I yield.

Mr. TAYLOR of Tennessee. I think it would be interesting to the Members of the House to know who these representatives of the departments are and what departments they represent.

Mr. REECE of Tennessee. The personnel of the committee as constituted is printed in the Congressional Directory. In addition to the congressional representatives on the committee, the Department of Justice is represented by Mr. Thurman W. Arnold; the Securities and Exchange Commission, by Mr. William O. Douglas; the Federal Trade Commission, by its former chairman, Mr. Garland S. Ferguson; the Department of Labor, by Dr. Isador Lubin; the Treasury Department, by Mr. J. J. O'Connell; and the Department of Commerce, by Mr. Richard C. Patterson, Jr. I believe those gentlemen and their alternates constitute the representatives of the executive departments.

I wish to emphasize, as the gentleman from Texas [Mr. SUMNERS] stated in his presentation, the committee has found the representatives of the executive departments conscientious and desirous of working in harmony with the committee as a whole. There has been no friction between the representatives of the executive departments and the legislative representatives on the committee. As one member representing the legislative branch, I am gratified with the course that this important study has taken. While it is impossible and improper for the committee to undertake to make a full report of its study and its findings to the Congress until the study has been completed, I for one feel that the Congress itself will be satisfied with the work of the committee when the work has been completed and its report has been made to Congress.

Mr. REES of Kansas. Mr. Chairman, will the gentleman yield?

Mr. REECE of Tennessee. I yield.

Mr. REES of Kansas. I wish the gentleman would tell the House in just what respect there would be great disruption by reason of the adoption of the amendment which will be offered by the gentleman from Michigan [Mr. MICHENER]. In what respect will it disrupt the work of the committee?

Mr. REECE of Tennessee. The first function of the committee was to decide upon a program and set into motion an organization to accomplish that program. The committee did this. Its program is well advanced. If the amendment should be adopted, it might be necessary for us to change the organization which is conducting the studies for the committee. There is only one way by which that difficulty might be circumvented in case the amendment which is going to be offered by the gentleman from Michigan should be adopted, and that would be for the committee to allocate the money in the same manner in which it has been allocated in the first half of the study.

Mr. REES of Kansas. But is that not a question that is in the hands of the committee?

Mr. REECE of Tennessee. But the resolution having been adopted in the form in which it was originally, a certain responsibility was placed upon the executive departments which would not have been placed upon them and which would not now devolve upon them if the amendment should now be adopted, and by reason of the authority contained in the original resolution the committee has been able to avail itself of personnel and services of the executive departments which it would have been unable to do had the authority and responsibility contained in the original resolution not been placed upon the executive departments by the resolution itself.

Mr. ROBSION of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. REECE of Tennessee. I yield.

Mr. ROBSION of Kentucky. Well, you have got a set-up to make the investigation, and they have proceeded to make the investigation and are in the middle of the investigation. Now, if the amendment offered by the gentleman from Michigan should be adopted, that investigation would have to start de novo, or the new committee would have to accept the organization that is now functioning, would it not?

Mr. REECE of Tennessee. The gentleman is entirely correct. The team which is making the study is already in the harness and is performing satisfactorily. Now, why change the resolution so as to make it necessary to unharness this team and hook up a new one? It would not be in the interest of efficiency, and I should regret very much to see the proposed amendment adopted by the House. I do not think it would be in the interest of the study which the committee is so earnestly trying to make in the manner desired by Congress and by the country.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. REECE of Tennessee. I yield.

Mr. CRAWFORD. Can the gentleman advise us when the hearings will be printed so we can begin to study what has been done?

Mr. REECE of Tennessee. The hearings are now in the process of being printed and are expected to be available in a very short time. The preliminary report of the committee is in process of formulation and it is the hope of the committee that it may be presented within 1 or 2 weeks' time.

Mr. O'CONNOR. Mr. Chairman, will the gentleman yield?

Mr. REECE of Tennessee. I yield.

Mr. O'CONNOR. Concerning this investigation generally, is not the committee pursuing the course of investigation, paralleling the investigations, that are being made by the Federal Trade Commission with reference to monopolies, and so forth?

Mr. REECE of Tennessee. The committee has been able to obtain a great deal of beneficial information from the files and the experiences of the Federal Trade Commission, but I may say, having in mind particularly the statement of the gentleman from Kansas, this committee is not undertaking to run down violators of the law, or to ascertain if the depart-

ments of the Government are doing their duty, or to investigate particular businesses. We are undertaking to make a study of the whole economic situation, and the economic influences which are shaping our economic and industrial system with the view of our findings serving as a basis for legislation in the future.

Mr. O'CONNOR. Is not this statement true: That under the law, it is the duty of the Federal Trade Commission to investigate all monopolistic practices of all concerns, and to prosecute in the name of the United States all violators of all unfair practices in business?

Mr. REECE of Tennessee. Only in a general way. It may not be the duty of the Federal Trade Commission to make the comprehensive investigations of monopoly in general which the gentleman has in mind. [Applause.]

[Here the gavel fell.]

Mr. SUMNERS of Texas. Mr. Chairman, I yield 1 minute to the gentleman from Arizona [Mr. MURDOCK].

Mr. MURDOCK of Arizona. Mr. Chairman, I recall the discussion on this measure in the last Congress when the study was first ordered. Although some at that time expressed the hope that this effort would not throw more fear into business than already existed, it was pretty generally agreed that monopolistic practices are prevailing today and we would be derelict in our duty if we did not study the situation with the view of finding a remedy. Of course, I shall vote for this bill in order to continue the investigation in the same safe manner in which it has been thus far conducted.

While I am discussing the bill I want to reveal some of my own thoughts in regard to the present-day question of Government regulation of business and the probable uneasiness which, it is claimed, may result. I have listened this afternoon to remarks made here on this bill, and also to remarks made practically every day in this chamber, concerning the relation of government and business. Surely a man from Mars, listening in on these proceedings, would get the idea that the present administration is deliberately persecuting, bedeviling, and destroying business, and that the sole purpose of such a study, as this bill would continue, is to disturb the minds of businessmen, thus hampering them in their daily business and further wrecking the prosperity of the country. Would not such a visitor, who reads the CONGRESSIONAL RECORD or listens to the proceedings in the House, get such an impression? What I would like to know is, Is it really the purpose of the party in power in the Government at this moment to fight business, cripple business, and destroy prosperity? Do the gentlemen who have implied as much really believe it?

There are some things I would like to know. First, has there been any business prosperity in this country within the last 6 years? I have heard it said that business earnings have been great, and I have also heard it said on the floor of this House that profits have been nil. Which is true? Is it possible that both statements are true? If so—and I believe it is the case—it must be that certain businessmen have made earnings, large earnings, and other businessmen have made little or no earnings. Is that not the real truth of the matter?

I have an impression which may be right or wrong, and I should like to be corrected if I am wrong, that a certain few big businesses have been prosperous, and many small businesses have made no profits. If such is a fact, what should this Government do? I believe that we should ascertain the truth and attempt to change that situation. We ought to find why the small-business man has made no profits, and why the few big business concerns have made undue profits. That, I take it, is the very purpose of this commission. I believe that monopoly prevails to such an extent that a few big businesses are making enormous profits, and that is partly at the expense of the small-business man; although I do believe that monopoly profits are at the expense of the American people generally.

We have not been very effective in legislating against monopoly. A great Democrat once said, "Private monopoly

is intolerable and indefensible." That attitude might be said to be the Democratic Party attitude, but a study of Republican platforms will reveal that that party has also repeatedly declared opposition to private monopoly. Irrespective of parties, the great mass of American citizens hate private monopoly. However, all of my lifetime, in spite of antimonopoly laws, the American people have been victimized by private monopoly. I sincerely hope that the investigation which this bill continues will open the way for some sort of remedy.

Let me make it clear that I am not opposed to reasonable business profits. My personal theory favors the free play of private enterprise and individual initiative in American economic life. It is a question of degree with regard to profits. Judging by experience, monopoly profits invariably become exorbitant profits, and powerful monopolies finally control the Government, making necessary a choice by the people between private control and public control of our industrial society. I believe and hope it is possible to continue our so-called capitalistic system and free enterprise with only enough of governmental regulation to safeguard the public interest. To do that we must guard against two extremes, namely too much power by private monopoly or too much power by governmental bureaucracy. I agree with Thomas Jefferson, in part, when he said "That government is best which governs least," only I would have said "That government is best which governs the least that is necessary."

What businessmen are so disturbed by the investigation which this bill makes possible? Perhaps a part, if not all, of the fear is caused by a guilty conscience. Unless our commission is made up of tyrants using their power because of the lust for power—which is certainly not true of those I know on the committee—no public-spirited, socially minded businessman has any reason to be disturbed by this act of government. If there be antisocial businessmen who only stay sufficiently within the law to avoid going to jail, and who carry on legalized plunder of the American people, I maintain that such businessmen ought to have the fear of government, the "fear of the Lord," or the fear of the wrath of the American people thrown into them.

Mr. SUMNERS of Texas. Mr. Chairman, I yield 5 minutes to the gentleman from Missouri [Mr. WILLIAMS].

Mr. WILLIAMS of Missouri. Mr. Chairman, after what has already been stated by the distinguished chairman of the Committee on the Judiciary and a member of the Economic Committee, and my colleague, the gentleman from Tennessee [Mr. REECE], who is also a member of the Economic Committee, it is not necessary, in my opinion, to discuss the matter further.

As has been stated here, if it were an original proposition there might be some question about the amendment that has been proposed by the gentleman from Michigan, but we have already passed the act setting up the committee and authorizing the investigation. That resolution contains a positive provision of law requiring certain departments of the Government, naming them, to appear before the committee or its designee and present evidence by examination of witnesses, and so forth; and the law provides further that the evidence presented by each of these agencies shall cover the subject matter of this inquiry which is within its administrative jurisdiction under existing law or which may be assigned to such agencies by the committee. The fact is and the fact remains that the committee has assigned the work of the investigation to the executive departments of the Government. This being true it seems to me there should be no objection to the executive department allocating the money to carry on this work, and the appropriation simply provides that this be done. That is all there is in it. The act provides that they shall do certain things. In addition to that, this committee has already set up the machinery, and as provided under the original act itself, has directed the various executive departments to make the investigation and to make reports to the committee. They are the ones that are doing the work.

Mr. REES of Kansas. Mr. Chairman, will the gentleman yield?

Mr. WILLIAMS of Missouri. I yield.

Mr. REES of Kansas. Can the committee tell the House why this committee could not use this money for the same purposes, directed through the same channels and in the same direction it is being used now, if it sees fit to? I fail to understand why or how there should be any disrupting of the committee or its work if it used the money for the same purposes and in the same direction it is being used now. Why could it not be done under the proposed amendment?

Mr. WILLIAMS of Missouri. That is what I am trying to tell the committee. Because the original act set out certain duties that were to be performed by the executive departments of the Government. I see no reason why that plan should be changed. The committee has been set up, has been organized, and the work is going on in accordance with that plan. To my mind this is the only way in which it can efficiently, economically, and properly function. I think the gentleman himself must realize that the Members of Congress on that committee have not the time while Congress is in session to make these investigations themselves, that this work must be delegated to somebody; and the act itself as well as the committee has delegated it to the executive departments of the Government, naming them: Four departments of the Government and two commissions. They are carrying on that work, and I can see no objection in view of that arrangement of having the money provided by which the executive departments are paid through the Executive.

Mr. REES of Kansas. One more question if the gentleman will permit.

Mr. WILLIAMS of Missouri. Certainly.

Mr. REES of Kansas. Then the mistake was made in the first instance in the passage of that act?

Mr. WILLIAMS of Missouri. I am not going to say that in view of the act itself. If the gentleman wants to contend that a mistake was made by providing that the executive branch of the Government should cooperate with the Congress I cannot, of course, agree with that; I do not agree with that at all.

Mr. REES of Kansas. That is not the question. The question is the putting of money into the hands of the Executive to spend; that is the question.

Mr. WILLIAMS of Missouri. I do not concede that any mistake was made in the first place in the act we passed, and in view of the way in which the Economic Committee has functioned. I do not concede that.

Mr. GUYER of Kansas. Mr. Chairman, I yield 1 minute to the gentleman from Montana [Mr. THORKELOSON].

Mr. THORKELOSON. Mr. Chairman, I believe it is about time to discard our "good neighbor" policy for one of aggressiveness so that we may regain our self-respect and the respect of our neighbors.

The Treaty of Versailles should be the most convincing evidence of failure of English, French, and American statesmanship, for, in spite of it, and whether we like it or not, it is clearly evident that central European powers are about to determine their own boundaries, as they have always done in the past. I am sure that many realize this now, and no doubt it will soon be recognized by the State Department. The Secretary of State, the Executive, and others should, therefore, stop sending notes of protest and criticism to other nations, for it is not only useless but it may also be offensive and a cause for war.

It is clearly evident that the President and the Secretary of State are not trying to maintain peace, but are instead intent upon joining forces with Great Britain in its opposition to Germany. Their hatred for Hitler is so great that it will require the utmost effort of Congress to maintain peace. What is behind this vindictive attitude? No protest was made to Russia when hundreds were facing the firing squad. No protest was made to Japan in the murder of innocent and defenseless Chinese, including people in our own missions. Little protest was made when they sank the *Panay* and killed American citizens. No protest was made to Mexico when American property was confiscated. No protest was made to Italy when Ethiopia was invaded.

Little has been said in our newspaper about the recent invasion of Albania, and the State Department has conveniently forgotten to send a strong protest to Mussolini. So why all this hatred toward Hitler? The answer is very simple. The money changers have been driven out of Germany, and it is a cause for war to the money changers in America and England. It is the same gang that forced us into the World War, and they are now willing to sacrifice more American lives to save their gold and their contemptible principles. They are willing to leave our west coast open to attack from Japan in order to revenge the purge in Germany. It is time for Congress to take charge and guide the destiny of our Nation for the common defense and the general welfare of our people. Congress should insist that the Executive, the Secretary of State, and others refrain from shaking their fists at nations on the other side of the Atlantic. We have not been deprived of property. We have not been insulted. As a matter of fact, our people have been treated courteously by all European nations except Russia.

Let us use common sense. We are merchants, and depend upon the sale of merchandise for our livelihood, so why place punitive restrictions or embargoes upon exports to some particular nation as an indication of our displeasure? Let us sell to anyone that can pay cash on delivery and carry it from our ports in their own ships. The best way to stay out of war is to keep our own ships and our people out of war zones and our Government in Washington.

I believe our mania for introducing neutrality, peace, and take-the-profit-out-of-war legislation is not only useless but affords no assurance of peace, and may on the contrary bring about war.

I am opposed to all wars, and particularly to those wars in which we pull someone else's chestnuts out of the fire. I realize that transportation of troops today may be very costly as compared to 21 years ago. Modern warfare from the air and from submarines will no doubt send many transports and their cargoes to unmarked watery graves. We must not, therefore, get excited or be influenced by misleading propaganda. It is better to turn to the editorial page and read the owner's and publisher's names. After having done so, you may be in a better position to determine the value of the news.

Let us not be deceived. The international bankers forced the United States into the World War by misleading and pernicious propaganda published in newspapers controlled by their money, and repetition of 1914 will be attempted today if general war breaks out in Europe. This propaganda has already begun. I quote from a column in a Washington paper:

When the *Lusitania* was torpedoed Mr. Baker (Newton D. Baker, Secretary of War during the Wilson administration) said, "The shock of this disaster . . . literally overwhelmed America and public opinion never recovered from it."

And Mr. Baker concluded with a warning for the future—future at the time Mr. Baker wrote, but now the present: "The lessons of history indicate that in any future situation it will be similarly difficult to induce our people to keep from seeking such relief when they begin to suffer too cruelly as the result of wars in which they have no part."

Let us look back 20 years. If we had kept out of the war zone, and if our people had remained at home, nothing could have happened to arouse public sentiment for war, because none of our people's lives would have been jeopardized. It is a certainty that if we persist in walking into the line of fire, some of us may get killed, and that is literally what happened to passengers who insisted on crossing the Atlantic in ships owned by nations at war.

There is one point we must remember. The requirement for molding public opinion so that it will be receptive to war is preparation of the right kind of propaganda. This was started in 1914, by the international money barons, and disseminated in news mediums owned and controlled by themselves. So the statement of Mr. Baker is not based wholly upon facts, because the sinking of the *Lusitania* was not the cause for our declaring war—it was instead the successful ending of a well-prepared campaign, which definitely lined us up with the Entente when we declared war on Germany.

We, like many other nations, have reached a period when we must decide for ourselves the course to take and the position to occupy in the international family of nations. We have much at stake at home and should, therefore, not be concerned with Europe and its changing boundaries. We should instead look forward to a day when we may be compelled for our own safety to consolidate North America, including all islands, from the Panama Canal north, for the greater protection of the United States and of the Panama Canal.

Our most dangerous enemies are those who advocate socialism and communism, and it would be much more sensible on our part if we closed our borders to them. These people and their philosophy will in time destroy us as they have destroyed nations in Europe. The time is coming when all of us must be 100 percent American instead of half this and half that. Our enemies are here, and evidence of their presence may be found in stagnant industry, closed business, and unemployment. The power of this enemy is evident in federally owned corporations which are now destroying private industries. It is further evident in privileged ownership and control of the Nation's gold, and our worthless domestic managed currency system.

Further evidence that we tolerate communism may be found in our attitude toward Mexico, which deliberately, without fear or consideration, confiscated American property. We do not find fascism or nazi-ism in Mexico, but we do find communism there, and the home of Leon Trotsky. Can it be possible that this is the reason for our "good neighbor" attitude toward Mexico, for which we sacrificed national prestige in failure to protect our own and a friendly nation's investments?

It is certainly high time for Congress to set the Federal Government right, and for its Members to act as statesmen instead of "rubber stamps." The State Department should be corrected in respect to its foreign policy, and be required to cancel trade pacts and restore our home markets to domestic producers, and that includes our farmers, both North and South. Other Federal departments should be required to cooperate with business so as to allow industry to resume operation in a normal manner. Congress should appoint a board of its own Members to aid in this work, because it is quite evident that the bureaucrats have failed and can no longer be trusted. Our present chaotic condition should be sufficient evidence of failure, even to the most ardent supporter of the administration's vacillating policies.

Congress cannot escape responsibility. This should be clearly evident to my colleagues if they will recall the philosophy of those who appear before our committees. I have often heard witnesses say: "We leave this to you Members of Congress. You enact the legislation and you must appropriate the money if you want us to do this work. We cannot do it without authority from Congress. It is your responsibility, not ours." As a matter of fact, they infer, "It is your baby."

In view of this opinion, is it not much more sensible for us to resume our rightful position in the Government and direct the destiny of our Nation, instead of hiring stooges to act for us? As it is now, Congress has shifted responsibility of the Government upon the Executive and his appointees. These gentlemen inform us that they are not responsible, but Congress is. A deplorable state, indeed, for Congress, by unconstitutional legislation, has shifted a great part of its power to the executive and Government departments, but commonly these congressional appointees do not have the constitutional authority, and neither are they willing to assume responsibility for the power foisted upon them. It all ends in a muddle—no one responsible, not even Congress itself. The ship of state, therefore, will be sailing about aimlessly until Congress is willing to accept its duty or is forced by the people to take command.

I dislike the role of a critic, yet even at the expense of appearing as one, I am constrained to call my colleagues' attention to past and present propaganda, which is for no other purpose than to prepare the United States for participation in the next European conflict. The President and

others within the administration do not only favor, but seem to welcome such participation on our part. I refer first to an editorial in the Washington Post, April 11, which everyone should read, and I then quote from the same paper of April 12:

"I'll be back in the fall, if we don't have a war."

These words, spoken by President Roosevelt to the group assembled at Warm Springs to see him off for Washington, were seemingly wholly unpremeditated. * * * And no President was ever more skillful than Mr. Roosevelt in making the most of every opportunity to give a positive direction to public thinking on important issues.

In using the collective "we" the President told Hitler and Mussolini, far more impressively than he told Warm Springs, that the tremendous force of the United States must be a factor in their current thinking. He told the axis powers that the administration is far from indifferent to their plottings. He made it plain that a war forced by them would from the outset involve the destinies of a Nation which, as they fully realize, is potentially far stronger than Germany and Italy united. * * *

April 12: President Roosevelt stamped with his hearty approval yesterday a newspaper editorial calling for a "preponderant show of force" by democratic nations to halt the dictators and prevent war.

The President ordered the editorial inserted in the minutes of his press conference, saying it was very good, very clear, and very honest. He said it had not been inspired by him but that he had almost fallen out of bed when he read it yesterday morning.

I can readily understand the source from which the editorial in the Post originated, and the motive for such propaganda, but there is not one sound reason why we should display a "preponderant show of force." It is absurd to threaten, and the adage, "Don't pull your gun unless you're going to shoot," is always true. Further, a nation with a national debt of over \$40,000,000,000 is not in a position to engage in war and carry it to a successful conclusion.

In public intercourse I have found only certain minorities interested in Europe and bent upon revenge. In Congress there is little or no sentiment for war, with the possible exception of a few who intermittently shake the swastika to distract attention. As a matter of fact, the President and a few of his sympathizers are the only gentlemen I have found to be suffering from a war complex. We have nothing of interest in Europe over which we should feel concerned. On the contrary, we have much at home to give us concern; so let us attend to our own business. If the President, if the Washington Post, or any other war-minded newspaper has something at stake in Europe, let them explain this to us and stop beating the war drums. Congress alone has the power to declare war. Our Nation should not be stampeded into war, as it was 22 years ago, to save the international Shylocks, for we still remember the loss of life and property.

It is well for Congress to bear in mind that there is a group of people who are very much interested in congressional activities. They are very much interested in war and peace, and they have good reason for it because they pay the bill. This group has been derided by the present administration. It has been neglected by Congress. War has been waged upon it by the Federal Government and its departments. Every day I hear someone accuse business of being dishonest, crooked—accused of everything under the sun. It is now time for this to stop, because it is just plain damn foolishness. It is time that the President, that Congress, that the Supreme Court, and all other Federal departments be reminded that they have always been nourished by and are now depending upon industries for their maintenance.

It is well for the Government to bear in mind that when industries are destroyed the Government is also destroyed. To accuse our business people of being dishonest, crooked, and not square with the Government is ludicrous. No one dares to deny that these people, who include about nine-tenths of our population, certainly have a right to keep a part of their earnings. There is not one reason in the world why the Federal Government should act like pirates and take the last cent away from them. But that is what the Federal Government is doing. It is high time that business quits or the Federal Government quits. It must be one or the other. It is up to the people themselves to decide if they want to continue a republican form of government, with free operation of industries, or whether they want to change

and adopt a dictator, a communistic government, and federally owned and operated business. We cannot have both, so it must be either private ownership of business under our own Government, or it will be Federal ownership of business under centralized government. That is obvious.

I want to give business a break so that our idle people may become employed in private industries. For the past 7 years there has been no encouragement to business, and this in itself should be sufficient evidence to Congress that we are a Nation without a responsible leader, and it is also my reason for suggesting that Congress resume its rightful position and take charge of the Nation's destiny.

The Clerk read as follows:

Senate Joint Resolution 90

Resolved, etc., That subsection (a) of section 6 of the joint resolution entitled "Joint resolution to create a Temporary National Economic Committee," approved June 16, 1938, is amended by striking out "\$500,000" and inserting in lieu thereof "\$1,100,000."

Mr. MICHENER. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. MICHENER: Page 1, strike out all of section 1 and insert in lieu thereof the following:

"That section 6 of the joint resolution entitled 'Joint resolution to create a Temporary National Economic Committee,' approved June 16, 1938, is amended by adding a new subsection to read as follows:

"(c) There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the additional sum of \$600,000, or so much thereof as may be necessary, to carry out the provisions of this resolution. That said sum shall be immediately available for expenditure by the committee in carrying out its functions."

Mr. MICHENER. Mr. Chairman, this amendment has been pretty thoroughly discussed during general debate; however, there is a misapprehension on the part of some of those who have discussed it, notably the gentleman who just preceded me, the gentleman from Missouri [Mr. WILLIAMS]. He is evidently confused as to what the Executive has to do with this matter. He is evidently confusing some language in the resolution originally passed, which is law today, but which has no bearing whatever upon the expenditure of money.

The expenditure of money is allocated in a specific section of the original resolution. In other words, \$500,000 was appropriated to be spent by a joint congressional committee. The sum of \$400,000 of that amount is reserved to the President and \$100,000 of that was to be spent by the committee. The specific purpose of that language was to prevent this committee from doing anything the President of the United States did not want done in this investigation.

It has been argued by my good friend from Tennessee [Mr. REECE] that the committee is set up and that my amendment will disorganize things. Mr. Chairman, this amendment cannot disorganize anything. I am quite sure the gentleman from Texas [Mr. SUMNERS] will not insist the amendment which I have offered will in any way disorganize the work of the committee, unless the President wants something done that this committee does not want to do, or vice versa. In that case, and in that case only, can this amendment disorganize. In short, the committee will control rather than to delegate the control of the committee to the President.

If this resolution passes they will continue to work, and this \$600,000 is only presumed to pay them for the rest of this Congress. If the amendment which I have offered is agreed to, the only change it will make is that the committee will control the spending of the money rather than the President. I ask anyone who debates this amendment in reply to what I say to challenge that statement, if it is not true. No, Mr. Chairman; the truth is the continuance of the innovation in policy is a matter of expediency. An obedient Congress yielded a year ago. We are asked to reaffirm this surrender of power.

Mr. HOOK. Will the gentleman yield?

Mr. MICHENER. If the gentleman has some information that will add to the controversy, we shall be very glad to have it.

Mr. HOOK. If the gentleman is convinced that his proposition is right, now, why did he not advance it at the time of the passage of the original act?

Mr. MICHENER. If the gentleman had been on the floor of the Congress, if he had known anything about it, if he had read the speeches or heard the debate, he would know that the matter was thoroughly discussed at that time. I took the same position then as I take now. Had he read the report on this resolution, both minority and majority, he would not ask such a question. Is there anything else the gentleman would like to ask?

Mr. HOOK. That has been decided by this Congress.

Mr. MICHENER. The gentleman from Michigan has a habit of coming in here and talking about things he knows very little about. If he will advise himself before he comes on to the floor, he will not take the time of the House discussing irrelevant matters.

Mr. HOOK. For the information of the gentleman, may I say I do not need any advice from the gentleman from Michigan, because I could not get anything from that source, anyway.

Mr. MICHENER. I am sure I could not give any advice to the gentleman from northern Michigan.

Mr. HOOK. That is mutual.

Mr. MICHENER. Because it is very difficult for anyone to understand his viewpoint. But let us get back to the matter under discussion.

This amendment accomplishes exactly what the resolution as reported by the committee accomplishes, plus the last sentence in the amendment, which would make the \$600,000 available to be spent under the direction of the investigating committee rather than under the dictation of the President.

If the House should desire to lodge in the President the right to determine how this money is to be spent by this committee, then if the last sentence in the above amendment is stricken out that purpose will be accomplished and violence will not be done to good draftsmanship in the preparation of legislation. I think that this is the first time that the Committee on the Judiciary has ever reported out legislation drafted in the form that Senate Joint Resolution 90 is drafted. The only excuse the committee gives is that the Senate used this form. No member of the Judiciary Committee of the House has approved this form as a matter of draftsmanship.

[Here the gavel fell.]

Mr. SUMNERS of Texas. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Michigan [Mr. MICHENER].

Mr. Chairman, I very much hope the amendment offered by the gentleman will not be agreed to. May I make an observation which ought to be persuasive. There are present in this chamber now the three Representatives of the House of Representatives on this committee, Mr. WILLIAMS, of Missouri, Mr. REES of Kansas, and myself, and upon our responsibility as your agents and as members of this committee, we ask you not to agree to the amendment offered by the distinguished gentleman from Michigan. We have been assigned a job which we think is a pretty important job and we are acting as your agents, we do not want the proposed amendment.

Under the present arrangement we are getting along all right with the executive agents of the Government. We feel that to pass the Michener amendment would disturb the organization and interfere with the harmony and efficiency and the work of that committee. We put the responsibility on you, if you pass the amendment.

Mr. REECE of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. SUMNERS of Texas. I yield to my distinguished friend.

Mr. REECE of Tennessee. Since the work of the committee is done under and by the direction of the committee, the money which is expended must of necessity be spent in carrying out the program the committee itself has adopted, and therefore, in the last analysis, the committee has full control of the subject.

Mr. SUMNERS of Texas. We are getting along pretty well on the job you asked us to do. That is the point I make. I do not think we ought to do, on either side of the House, anything in this serious matter that would look like playing politics.

Mr. HOLMES. Mr. Chairman, will the gentleman yield?

Mr. SUMNERS of Texas. I yield to the gentleman from Massachusetts.

Mr. HOLMES. How much of this increased appropriation will be used to carry on the probe this monopoly committee is going to make of the oil business?

Mr. SUMNERS of Texas. I may say to the gentleman that I believe it is the next thing on the agenda, but I cannot answer his question.

Mr. HOLMES. I understand from the chairman of the committee, according to the Associated Press, that you have a new procedure by which you are going to investigate this particular monopoly, and if the procedure proves successful, it will be extended to investigations of other industries.

Mr. SUMNERS of Texas. I may say to the gentleman briefly that it is contemplated, I believe, that we will bring into the picture earlier in the proceedings statements from those who are being investigated. I mean, we put into the record along with the testimony being developed by the executive agencies the testimony which persons who are being investigated want to submit. That is contemplated, I understand.

I tell you now, in all seriousness, we must not play politics with this thing.

Mr. MICHENER. Mr. Chairman, will the gentleman yield?

Mr. SUMNERS of Texas. I yield to the gentleman from Michigan.

Mr. MICHENER. Does the gentleman indicate that I am playing politics?

Mr. SUMNERS of Texas. No; I do not indicate that. I would not be so sure about it, but I will not indicate it. [Laughter.]

Mr. HOLMES. Mr. Chairman, will the gentleman yield?

Mr. SUMNERS of Texas. Yes.

Mr. HOLMES. I hope the gentleman will not have the thought that I am trying to play politics.

Mr. SUMNERS of Texas. No; none of you; no, you are not playing politics.

Mr. THORKELOSON. Mr. Chairman, will the gentleman yield?

Mr. SUMNERS of Texas. I yield to the gentleman from Montana.

Mr. THORKELOSON. Is this committee to investigate monopolies in industry, private business?

Mr. SUMNERS of Texas. To find out all about the situation, if possible.

Mr. THORKELOSON. Are you also going to investigate government monopolies in this country?

Mr. SUMNERS of Texas. Well, I do not know; but I do not believe it is contemplated.

Mr. THORKELOSON. I think it is a serious question.

[Here the gavel fell.]

Mr. MARTIN of Colorado. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am going to vote for this resolution appropriating \$600,000 more for the antimonopoly investigation, but I am going to do it with a reservation of a doubt as to what the investigation will accomplish or what will be accomplished by the legislation, if any, that grows out of it.

I have been watching the development with which this antimonopoly committee is dealing for, say, 50 years, maybe a little better than 50 years. If any antimonopoly law was ever worth the paper it was written on, I am not able to call to mind just now what it was. The fact of the matter is that under these antimonopoly laws monopoly has flourished like a green bay tree. When the first antimonopoly law, the Sherman antitrust law, was passed 50 years ago, monopoly was an infant in its swaddling clothes. Now it doth bestride this narrow world like Colossus, and little business peeps about under its huge legs to find itself a dishonorable grave.

When the Sherman antitrust law was passed, 50 years ago, the \$100,000,000 corporation, measured against its background, was a skyscraper. It loomed up over the commercial and industrial field of the country like the Empire State Building. Now we have the \$5,000,000,000 corporation, under 50 years of antitrust laws and of antitrust-law enforcement. Now we have about 200 interlocking supercorporations in this country that own and control the wealth of the country.

I had the privilege of sitting in the old Supreme Court room nearly 30 years ago when the Supreme Court dissolved the Tobacco Trust and dissolved the Oil Trust, and I believe it dissolved the Steel Trust—dissolved them into bigger and better trusts than we had before. Since these laws were first passed we have developed business systems in this country that are absolutely destroying independent business. We did not have the chain-store system 50 years ago, we did not have the manufacturer-distributing system 50 years ago, and we did not have a lot of things 50 years ago that we have now. When I look back over that 50 years, I cannot help feeling right down in the bottom of my heart that no great people on earth ever lost so much ground in the same space of time.

Mr. MOTT. Mr. Chairman, will the gentleman yield?

Mr. MARTIN of Colorado. I do not have time to yield.

One chain-store system in this country operating 18,000 stores means that 18,000 independent businessmen have been swept into the gutter. The great manufacturing systems are destroying all their own retailers over this country through having their own distributing system. All this has grown up under antimonopoly laws. What would you do about it?

I sat as chairman of a subcommittee holding hearings on a bill to prevent unfair competition by manufacturers against their retailers. The evidence did not show merely unfair competition; it showed that the manufacturers were absolutely destroying their retailers in the United States. The committee turned the bill down, saying, "This bill will disturb business. This is not an opportune time to pass this kind of legislation." It makes a man wonder where you would get if you brought in any legislation here to deal with an economic system that is practically all monopolized, as it unquestionably is in this country.

A gentleman over on the other side of the aisle said this committee would probably want to have its life extended in 1941; that after 2 more years it would want another extension; and this brings up another flaw in our system of dealing with these situations. There would be nothing unusual in that. It takes a couple of years to make one of these big investigations; then it takes 2 or 3 years more to pass the legislation; then the courts must have 2 or 3 years; and by the time the law gets in operation the technique of the system has changed and moved out from under the law. The patient is dead by the time the doctors agree.

The gentleman from Texas says that we are at the crossroads regarding this matter of monopoly. It seems to me we have been at the crossroads ever since I can remember. On the basis of past performance, we will still be at the crossroads when the dust of years has accumulated on the results of this investigation.

During the hearing I referred to, on the bill to prohibit unfair manufacturer-dealer competition, a witness before the committee against the legislation was arguing the saving to consumers effected by the manufacturer-owned distributing system as against retailer handling. I interrupted him to say that I was not solely concerned with the matter of saving dimes or even dollars to consumers; that what concerned me most was the final results in citizenship and in social conditions in this country of these systems; what might happen in a great national economic crisis when the people in all these towns and cities wake up some day and say, "We don't own anything in this town."

The witness proceeded with his prepared statement, but the witness succeeding him referred to my statement and said that in his opinion I had raised the real issue in these national chain and manufacturer systems. Of course, he went on to show that the pending bill would not work.

Every main street in the country is becoming a mere link in a national chain hooked up to a handful of skyscrapers in

a few big cities. The main streets in every town now look alike. The same familiar names on the signs. An independent manufacturer in my home city, employing several hundred men, said that the big fellows in his line have been trying to buy him out or break him for years.

We have the big three in the meat-packing industry; we have the big three in the automobile industry; we have the big four in the tire industry. Is there a monopoly in steel? If not, how does it come that 59 different steel companies made an identical bid, down to a cent, to the Navy? Identical grades of oil are the same price at every filling station in the United States, and there is never any war. I have paid exactly the same price for the same grade of oil, wherever I bought it, for 25 years. There is no competition anywhere except for business. There is no competition in prices.

At bottom, I am an individualist. I believe in individual initiative and independent business. But where is independent business? There is no independent business in the United States. Even the so-called independents are at the mercy of the manufacturer, the chains, the great mail-order systems, and banks. They exist on sufferance.

Hearings before the Interstate Commerce Committee showed that the automobile dealers in the United States, the tire dealers, and the oil and gas dealers, are regimented; that they have no control over their business whatever. They simply operate under revocable licenses and are ruined by the thousands annually. The great wholesale field in all lines of merchandise has been wiped out. The community builder in all towns and cities of the United States has passed out of the picture. He has been succeeded by the hired man of the great national commercial and industrial systems. As these systems have originated and grown, Government, National and State, has attempted to regulate and control them. I have gone along with this. There is no individualism left and I have governed myself accordingly.

Governor Landon, in the first speech he made some months after the campaign of 1936, made a statement which has been in my mind a good deal. He said, in substance, that if we are confronted with a choice between private control of the economic life of the country and public control, we would, of course, take public control, but that neither system makes for democracy. I can agree with that statement in toto, without it solving my problem. He could have left the "if" off. We are confronted with a choice, and so I find myself voting for public control and leaving it to the man who comes after me to decide whether it makes for democracy, and what to do about it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. MICHENER].

The question was taken; and the Chair being in doubt, the Committee divided, and there were—ayes 53, noes 82.

So the amendment was rejected.

Mr. GIFFORD. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I want to comment briefly on this large expenditure of money, which will not last very long because of the large number of employees to be paid. We will have to keep appropriating for this same purpose.

I was greatly interested in the reassuring statement of the committee made at the beginning. I want to compliment the chairman of the committee, because the public was informed that it would not be a committee that would seek startling publicity, but would be a really serious committee that would not create any further fear or panic in business. I presume the President felt that the country was really breaking away from its moorings, and desired to find some new law to hold it to its former stable position.

The little boy asked his father, "Father, if the earth is round, how is it that people do not fall off it?" "Oh," he said, "that is because of the law of gravitation." "Well, daddy," he said, "how did they stick on the earth before they passed that law?" [Laughter.]

I suppose you feel now that you must have some such law as that because we are, indeed, falling off. You have put on this committee a lot of new dealers who have been

the cause of the falling off. It has not only a majority of the congressional Members, but you have added many from the present departments of this Government, still imbued with the doctrines of the Tugwellian era. Of course, these enthusiasts were first called to present their views to this commission. I remember reading of the first witness who came before you with such an array of astounding figures.

I recall that he told this monopoly committee that if you made \$500,000 this year and you only made \$100,000 the next year you actually had a loss of \$400,000. The man who promulgated that amazing doctrine is to be the next new member of the Securities and Exchange Commission. Such views are certainly of doubtful reassurance. However, what bothers me is that it is desired to investigate monopoly, and certain conditions are imposed, but these words are added, "without limitation." Evidently this committee can take up anything the President may suggest, and he can take it off the scent at any time, since these department members will have control. If the findings seem to be going against the administration measures, you know what he will do. This Commission will probably be forced to follow only the trails outlined by new dealers.

Mr. TAYLOR of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. GIFFORD. I yield.

Mr. TAYLOR of Tennessee. I would like to ask the gentleman if he does not consider the bureaucratic trust we have in Washington as the biggest and most vulgar monopoly in the country?

Mr. GIFFORD. It is the greatest monopoly of control ever seen in this Nation. They will bring in recommendations for more laws which will require more bureaus to harass business. It is perfectly evident that this is a further endeavor of Government to change natural economic laws. I repeat what I have often said before—economic laws are greater than any laws of government or of men. This administration has been trying to change these economic laws now for the last 6 years with most unfortunate results. The committee up to date has conducted itself in a careful, considerate manner for these days. They assured us that they were not seeking culprits and would not do something that would disturb confidence. But it is all too plain that if the trail does lead in the wrong direction the committee's work will be diverted to new fields of investigation.

[Here the gavel fell.]

The pro forma amendment was withdrawn.

The Clerk read as follows:

SEC. 2. Subsection (b) of such section is amended by striking out "\$100,000" and inserting in lieu thereof "\$220,000"; and by striking out "\$400,000" and inserting in lieu thereof "\$880,000."

The CHAIRMAN. Under the rule the Committee will rise.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. LEAVY, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee had had under consideration Senate Joint Resolution 90, and, pursuant to House Resolution 139, he reported the joint resolution back to the House.

The SPEAKER. Under the rule the previous question is ordered. The question is on the third reading of the Senate joint resolution.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider laid on the table.

EXTENSION OF REMARKS

Mr. IZAC. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record and to include therein a speech delivered by Carl Gardner, national commander of the Regular Veterans' Association, on Army Day.

The SPEAKER. Is there objection?

There was no objection.

Mr. KELLY. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record.

The SPEAKER. Is there objection?

There was no objection.

Mr. HOOK. Mr. Speaker, I ask unanimous consent to extend my remarks and to include therein an article from the New York Tribune referring to a bill that I have introduced.

The SPEAKER. Is there objection?

There was no objection.

NEUTRALITY

Mr. HAWKS. Mr. Speaker, I ask unanimous consent to proceed for half a minute and to extend my remarks in the Record.

The SPEAKER. Is there objection?

There was no objection.

Mr. HAWKS. Mr. Speaker, in view of the tremendous interest manifested in the subject of neutrality, I desire to incorporate in these remarks a statement made by my colleague the gentleman from Wisconsin [Mr. KEEFE] this morning to the House Committee on Foreign Affairs on the subject of neutrality.

The question of neutrality occupies a dominant place in the present concerns of the men and women of America, and I think it is safe to say that the position which this present Congress will adopt on this important question, and the answer which we give concerning it to the people of America, will be of tremendous importance to the future welfare of our country and our people.

Because of the extreme concern manifested by large numbers of my constituents on this question I am thankful that the committee has permitted me to present some reflections on this subject, which I know represent the thought and purpose of a great majority of the people of America.

The whole question of neutrality and its maintenance in time of international stress is one involved with sharp conflict of opinion, and yet, in its fundamentals, the neutrality policy of this Nation was definitely and thoroughly established when under our Constitution we became a sovereign nation.

Without the necessity of legislative declaration of that policy I find it best defined in the Farewell Address of Washington, which address, I believe, should be read and reread by citizens throughout the length and breadth of this land.

The advice given to the people of America in that address is as important and as true today as it was at the time of its utterance, and clearly enunciates, in my humble judgment, the foundation upon which any neutrality act must be grounded. It will be recalled that Washington advised:

Justice toward all nations—avoidance of inveterate antipathies against particular nations, and passionate attachments for other nations.

He further advised against the insidious wiles of foreign influence and clearly pointed out the "ingratitude of nations." He definitely indicated to the American people the utter lack of common interest with the affairs of European nations and directed attention to their "primary interests, which to us have none, or a very remote relation." He asked then the very question which is so pertinent now:

Why forego the advantages of so peculiar a situation; why quit our own to stand on foreign ground; why by interweaving our destiny with that of any part of Europe entangle our peace and prosperity in the toils of European ambition, rivalry, interest, humor, or caprice?

His advice, then, to avoid entangling alliances is doubly true today in the face of present European and Asiatic disturbances. He knew, as all of us know, with our larger measure of experience, the results of war, and he charted a course for this Nation to follow intended, if adhered to, to keep us out of war and to stimulate and promote the art and objects of peace.

I am convinced that the people of America, whom we represent, almost unanimously hate and despise war, and when the decision of the people of America can be made as a result of calm and dispassionate judgment the decision would unquestionably be against any acts that might even remotely involve us in a war.

I am convinced that the people of this Nation will vigorously resist any attempt or effort to so define our position

as to open the way to lead us into a European or Asiatic war.

The people of this Nation look to this Congress to take all steps necessary to prevent our involvement in either a European or Asiatic war.

Almost my entire mail is confined to the demands of fathers and mothers and anxious citizens everywhere demanding that in our answer to this troublesome question of neutrality, if we are to write a neutrality law at all, that it be one that will plug every loophole against our involvement in European or Asiatic affairs.

The definite answer to this plea, however, is not free from difficulty as I see it, and consideration of the question has given rise to a multiplicity of conflicting ideas.

I desire to express and interpret what I conceive to be the almost unanimous will of the people whom I represent, as follows:

First. I am definitely opposed to extending to the President of the United States, whoever he may be, the right to publicly proclaim and announce the aggressor in any European or Asiatic conflict. This is a power so fraught with possible involvement in foreign entanglements that I, as one Member of Congress, refuse to delegate that authority into the hands of any one man.

Second. Under the present Neutrality Act the President is vested with the power delegated to him by Congress to declare by public proclamation the existence of a state of war between nations, or a state of civil war within a nation, and upon the issuance of this proclamation it is his solemn duty to prescribe and lay down an embargo, within the limitations of the act. I even seriously question the wisdom or propriety of a continuation of this delegated authority, because it is apparent, in view of the situation that has existed since the enactment of this legislation that while the President declared the existence of a state of civil war in Spain, he has not, so far as I am advised, up to the present time recognized that a state of war exists between Japan and China, although we are all well aware of the fact, and we are continuing to stimulate our foreign trade by the continued shipment of arms and munitions to those two belligerents.

I believe it should be mandatory on the part of the delegated authority, whoever it might be, to declare the existence of a state of war when such state actually exists as a matter of common knowledge and that our attitude in the matter of relations to such belligerents should be the same in all cases and should represent a definite and sustained national policy of equal application to all nations.

The question as to whether or not, in the event of the existence of a state of civil war within a nation, or a state of war between nations, an embargo should be mandatory is one of the highly controversial questions involved in this whole subject.

There are those who declare that we must maintain our commerce regardless of international warfare or civil war within a nation and that our position should be that any nation can buy from us provided it is done on a cash-and-carry basis. Such a provision in the present act will expire on May 1 and the proponents of such a contention insist that the cash-and-carry provisions of the present act be continued and extended. There are others who feel that in view of the fact that economic and trade relations growing out of our shipment of arms, munitions or supplies, or goods of any character to one belligerent nation when another may be precluded from availing itself of the same privilege constitutes an involvement in the situation with international hatreds aroused that would ultimately lead us to war, and the proponents of this theory contend that in the event of a declaration of war such as I have heretofore indicated the President should be required to lay down an embargo prohibiting any shipments of any kind or character to any of the nations so involved.

While it is indeed patriotic to insist upon the protection of our merchant ships upon the high seas, and their convoy, if necessary, by the Navy into ports of belligerent nations, yet I am convinced that if by chance one of those ships were sunk,

causing loss of life to American seamen, that the same passions which propagandists are constantly seeking to arouse would be aroused, and the incident might be the means of involving us again in war.

I have, therefore, concluded that if the premise is correct, as most people seem to conclude—namely, that the domestic and internal affairs of foreign governments are no concern of ours, and that therefore we should not extend our interests so far as to become involved in their domestic disputes or international disputes—then the only way we can maintain a strictly neutral position in event of the finding of the existence of a state of war is to enforce an immediate and strict embargo against travel by American citizens within the zones involved and prevent the shipment of arms and munitions to either belligerent, and permit the shipment of generally accepted nonmilitary supplies on a strictly cash-and-carry basis in ships other than those carrying American seamen and flying the American flag.

Such a position would be one of strict neutrality, and while in its operation the effect might favor the nation in control of the sea, yet that should be no concern of ours; because I do not conceive it to be our duty to take sides, and it is the taking of sides, due to the whipped-up passions of people, inspired by foreign propaganda, that ultimately involves us in foreign war.

Such a policy of neutrality should carry with it a distinct and ominous assurance to all foreign nations that we are not taking sides but that we propose to defend the Monroe Doctrine and our territorial integrity with the whole force of our tremendous resources.

It ought to be perfectly clear from our experience in the last World War what Washington had in mind when he referred to the "ingratitude of nations," and in the record of history we can never be sure but that the friends of today may become the enemies of tomorrow, and in my humble judgment it would be an unwise and foolhardy policy to adopt to attempt to protect the extremely small percentage of our volume of trade that is involved in foreign relations if in such protection we would be compelled to expend through participation in war sums that could never be recouped in foreign trade, to say nothing of the lives of our citizens.

I desire to say in closing that I fully realize the tremendous difficulty that is involved in writing legislation to declare a policy based upon conditions as they exist today, which conditions a week from today may be entirely changed due to the apparent utter lack of regard on the part of certain nations for the sacredness of international treaties, and yet I am sure that the Congress of the United States has within it the capacity and the power to meet such changing conditions in the event the necessity arises.

WAR-PROFITS BILL

Mr. VAN ZANDT. Mr. Speaker, I ask unanimous consent to address the House and to extend my remarks in the Record.

The SPEAKER. Is there objection?

There was no objection.

Mr. VAN ZANDT. Mr. Speaker, the Portland Oregonian is one of the great newspapers of the Northwest. In the past its policy has been more conservative than liberal. It never has been radical. It always has been American.

Therefore it is gratifying that such a sound, substantial organ of public opinion has endorsed editorially the principle of the new bill designed to take the profits out of war, and expressed the hope that the measure, "in considerably modified form," will be enacted by Congress.

As one of the sponsors of this bill in the House, I make no claim for the perfection of its details, but I insist that it is sound in principle. If the principle of any measure is sound, the details can be perfected in committee. That can and should be done without undue delay in the case of this bill, which is designed to promote peace, and, if war comes, place the greatest financial burden on those who profit most from the war, which will entail the supreme sacrifice for some and misery to most Americans.

Mr. Speaker, I ask unanimous consent that this fine editorial from the Sunday Oregonian of April 2, 1939, be printed in the RECORD as a part of my remarks.

PASS A WAR-PROFITS BILL

A bill to tax war profits virtually out of existence was introduced in the United States Senate a few days ago by Senator HOMER T. BONE, of Washington. It carries the names of 49 other Senators, and so has an excellent chance of at least getting through the upper House. However, similar bills were smothered in committee in 1935 and 1938, and powerful interests are lying in wait for this one.

This page hopes that it will go through, but in a considerably modified form. Every other plan which has been proposed in Congress for delaying or preventing war has within itself the factors for its own defeat. Thus the neutrality bill, already on the books, is more of a danger than an aid. It encourages foreign powers to kick us around; it ties the hands of the President; it puts us on the side of the strong, to the detriment of the weak. Nor is there any way it can be amended that will make it better. And the war-referendum measures advanced by some of the more desperate Members of Congress are even worse. They also would encourage foreign powers to boot us, and in case of an actual vote the Nation would be divided into bitter factionalism that would make the conduct of a war difficult if not disastrous.

A war-profits bill, on the other hand, should cool down the passions of millions of Americans who, as matters stand now, are in position to reap a rich harvest if the Nation does go to war.

We do not accuse these people of consciously nudging America toward war. We only say they would be more than human if they were able to keep their financial outlook from having any effect whatever upon their view of the international developments. It might make a tremendous difference in American mass opinion if warning were served in advance, through such a war-profits measure, that during the next conflict civilians would have to sacrifice along with the men in the trenches—not their lives, but what to many people is almost as important.

There is, of course, just one argument against such a bill—the argument that industry and the individual American would not work hard enough in wartime, under such restrictions, to provide the Armies and the Navy with the supplies necessary for victory. It is a threatened sit down. The most effective statement of this view ever made was that of Bernard M. Baruch, head of the late War Industries Board. Mr. Baruch, who favors sharply graduated wartime taxation, nevertheless warned the Senate Munitions Committee during hearings in 1935:

"In eliminating profits we must not eliminate munitions. We must not stop production. There is such a thing as taking the profits out of war at the cost of losing the war."

Thus the issue is drawn: The most effective legislation as yet proposed for the purpose of giving a pacific tone to American public opinion is this bill presented by Senator BONE and 49 of his fellow Senators. And the tax returns from such a measure would go a long way toward making our next war, if one does come, self-supporting. But there remains the question of whether the bill as it stands is so confiscatory as to destroy incentive. It probably is. That is something for the taxation committees of Congress and their advisers to work out. Offhand it would seem that some modification could be made without serious impairment of the bill's effect. In any case, the principle is right.

There is too wide a gap between the soldier, training himself for death at \$30 a month, and the industry, which hints that it will not work unless it gets excessive profits.

EXTENSION OF REMARKS

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent that my colleague the gentleman from Kansas [Mr. CARLSON] be permitted to extend his remarks in the RECORD by printing a speech delivered by the President of Puerto Rico.

The SPEAKER. Is there objection?

There was no objection.

Mr. MUNDT. Mr. Speaker, I ask unanimous consent to extend the remarks I made today by including a letter from a constituent of mine and four short paragraphs from a Government bulletin.

The SPEAKER. Is there objection?

There was no objection.

Mr. ALEXANDER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD, and to include therein a letter from Oliver Mattison.

The SPEAKER. Is there objection?

There was no objection.

Mr. McDOWELL. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD, and to include an editorial from the Pittsburgh Post Gazette.

The SPEAKER. Is there objection?

There was no objection.

CONSTRUCTION OF CERTAIN PUBLIC WORKS

Mr. COX. By direction of the Committee on Rules, I call House Resolution 137, which I send to the desk and ask to have read.

The Clerk read as follows:

Resolved, That immediately upon adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for consideration of H. R. 2878, a bill to authorize the Secretary of the Navy to proceed with the construction of certain public works, and for other purposes. That after general debate, which shall be confined to the bill and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Naval Affairs, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. COX. Mr. Speaker, I yield 30 minutes to the gentleman from Tennessee [Mr. TAYLOR], to be in turn yielded by him as he sees fit.

Mr. Speaker, this is a resolution which makes in order the consideration of the bill H. R. 2878. This is a bill brought in by the Committee on Naval Affairs which proposes to authorize the Secretary of the Navy to proceed with the construction of certain public-works projects, which are set out in the bill.

I do not think the House wishes to consume a great deal of time in the consideration of this rule. For the present I shall ask the gentleman from Tennessee [Mr. TAYLOR] to use such time as he wishes.

Mr. TAYLOR of Tennessee. Mr. Speaker, I know of no opposition on this side of the Chamber to the rule or to the bill which it makes in order. I have had no requests for time. I have no desire myself to discuss the rule.

Mr. COX. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

Mr. VINSON of Georgia. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 2878) to authorize the Secretary of the Navy to proceed with the construction of certain public works, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 2878, with Mr. McLAUGHLIN in the chair.

The Clerk read the title of the bill.

Mr. VINSON of Georgia. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. VINSON of Georgia. Mr. Chairman, I yield 25 minutes to the gentleman from Virginia [Mr. DREWRY].

Mr. DREWRY. Mr. Chairman, this bill provides for the public works of the Naval Establishment. There are 86 items in this bill, most of them comparatively small. Of a total of \$38,524,000 for the construction of the 86 items mentioned, \$16,609,000 goes to Hawaii, \$1,970,000 goes to the Mare Island Navy Yard, \$3,000,000 goes to Puget Sound Navy Yard at Bremerton. The other large items are one at Hawthorne, Nev., \$1,260,000; one at the Naval Training Station at Norfolk, \$1,365,000; one at the Coco Solo fleet air base, \$1,736,000. The only other large items are Parris Island, which is a marine base, \$3,018,500; and at Philadelphia for the storage of supplies, \$1,300,000. Then at Hawaii another \$1,710,000.

So that although there are 86 items and a total of \$38,000,000, the majority of those items are small, and, of course, I do not suppose the committee has any desire that I make any detailed treatment of those items. I will try to classify them under certain heads.

The largest amount is taken up with meeting the dry-docking requirements. The situation confronting the Navy with reference to drydocking facilities is very serious. The facilities we now have on the west coast and in Hawaii are not adequate to meet the needs of the existing fleet in time of peace, and certainly would not be able to meet them in time of war. The Navy Department has made a very exhaustive study of the drydocking situation, and this bill is brought in with reference to the authorization for appropriations that should be made in order to get drydocking facilities that will be able to take care of the Navy not only in time of peace but in time of war.

Then the fleet maintenance facilities: One of the great troubles we have at present with the Naval Establishment is that a great many people seem to think that all that is necessary is to have a fleet. They do not stop to consider that the fleet must have bases in order to maintain that fleet in a proper condition. So in our desire to build up our fleet we have neglected to build up the shore stations to take care of the needs of that fleet. The result has been that in the years since the World War those buildings of a semipermanent nature at that time, some of them even beyond that, have deteriorated, and they are totally unfit for the use of the Navy. It has been a very poor fiscal policy to let our shore stations deteriorate as they have, but that is what has happened. Now, we must meet that situation by improving those facilities so that the fleet itself will have proper facilities with which to conduct its operations.

Other sections of the bill are aeronautical experiments, and the necessary development and expansion of shore facilities required for the operation of fleet aircraft. The same thing applies to that proposition as applied to the maintenance of the shore stations.

Then ordnance depots. The ordnance depots are in such condition that they are a danger to life, due to the lack of attention that has been given to those ordnance storage activities.

The same thing applies to supply facilities. Three of the items for which authorization is requested in this bill for supply storage are at Pearl Harbor. I call your attention, as I did in the beginning, to the fact that the greater part of this bill, over one-half of it, is for the development of the naval facilities at Hawaii.

In addition to that, the hospital facilities at these places are totally inadequate to take care of the health of the personnel, and for proper care of the sick and injured.

Then there is another provision that has come in with reference to the radio-finder stations. Those stations are of great strategic importance and are usually in isolated sections. The result has been that the buildings have deteriorated and something has to be done to take care of those radio-finder stations.

The only other subhead, as I have the subjects divided, is with reference to training, education, welfare, and housing. The effort here is to authorize sufficient money to enable the naval personnel at these stations to be properly housed and taken care of.

These are the general provisions of the bill. I do not know that it is necessary for me to take any more of the Committee's time, or that there is need to go into each item, for every Member will have full opportunity to ask any questions he may care to when the bill is read for amendment.

I conclude by saying that these eight subheads which I have mentioned account for a total of \$38,524,500, almost half of it being required for the upkeep of the establishment in Hawaii.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The gentleman from Virginia yields back 15 minutes.

Mr. MAAS. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, the items in this bill were carefully considered by the committee. They constitute part of the regular program, and each one is absolutely essential to the proper maintenance and expansion of the fleet. The com-

mittee held extensive hearings and the bill was reported unanimously.

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN. The gentleman from Virginia has used 1 minute.

There being no further requests for time, the Clerk will read the bill.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Navy is hereby authorized to proceed with the construction of the following public works projects at a cost not to exceed the amount stated after each item enumerated:

Navy Yard, Pearl Harbor, Hawaii: Graving drydock for large vessels, services, and accessories, \$8,485,000; personnel buildings and accessories, \$4,214,000; recreation facilities, including buildings and accessories, \$125,000; pipe and copper shop building and accessories, \$150,000; electric shop building and accessories, \$465,000; galvanizing shop building and accessories, \$85,000; graving drydock for small vessels, services, and accessories, \$2,000,000; public works shop and storage building, \$170,000; ordnance shop building and accessories, \$165,000; storehouse building and accessories, \$750,000.

Navy Yard, Mare Island, Calif.: Graving drydock, services, and accessories, \$1,750,000; utility and transportation buildings and accessories, \$100,000; laboratory building and accessories, \$120,000.

Navy Yard, Portsmouth, N. H.: Submarine barracks and mess hall, \$270,000.

Navy Yard, Puget Sound, Wash.: Graving drydock, services, and accessories, \$3,000,000.

Naval Station, Guam: Officers' quarters and accessories, \$75,000.

Naval Station, Tutuila, Samoa: Chief petty officers' quarters and accessories, \$66,000; officers' quarters and accessories, \$45,000; recreation building and accessories, \$70,000.

Naval Station Guantanamo, Cuba: Enlisted men's quarters and accessories, \$50,000.

Naval Torpedo Station, Newport, R. I.: Explosive-manufacturing building and accessories, \$250,000.

Naval Proving Ground, Dahlgren, Va.: Magazine building and accessories, \$35,000; dispensary building and accessories, \$40,000; locomotive and crane shed and accessories, \$20,000; garage building and accessories, \$20,000; carpenter shop building and accessories, \$25,000.

Naval Powder Factory, Indianhead, Md.: Barracks building and accessories, \$125,000.

Naval Ammunition Depot, Hawthorne, Nev.: Additional magazine buildings and accessories, \$1,260,000.

Naval Ammunition Depot, Oahu, Hawaii: Additional magazine buildings and accessories, \$223,500.

Naval Ammunition Depot, St. Jullien Creek, Va.: Explosive-loading plant and accessories for TNT and black powder, \$165,000.

Naval Ammunition Depot, Iona Island, N. Y.: Replacement of filling house No. 307 and accessories, \$30,000.

Naval Ammunition Depot, Fort Mifflin, Pa.: Projectile loading plant building and accessories, \$45,000.

Naval Training Station, San Diego, Calif.: Trade school and auditorium buildings and accessories, \$525,000.

Naval Training Station, Norfolk, Va.: Dispensary building and accessories, \$190,000; receiving station mess hall and galley building and accessories, \$375,000; receiving station barracks buildings and accessories, \$800,000.

Destroyer Base, San Diego, Calif.: Power plant building and accessories, \$50,000; torpedo storehouse and accessories, \$90,000; dispensary building and accessories, \$40,000; bachelor officers' quarters and accessories, \$70,000.

Submarine Base, Pearl Harbor, Hawaii: Individual storehouse and accessories, \$20,000.

Naval Aircraft Factory, Philadelphia, Pa.: Aeronautical engine and materials laboratory buildings, \$1,800,000.

Naval Air Station, San Diego, Calif.: Purchase and improvement of auxiliary landing fields, \$321,000.

Naval Air Station, Norfolk, Va.: Purchase of auxiliary landing fields, \$300,000.

Naval Air Station, Seattle, Wash.: Radio direction-finder house and accessories, \$5,000.

Fleet Air Base and Submarine Base, Coco Solo, Canal Zone: Personnel buildings and accessories, \$1,736,000.

Fleet Air Base, Coco Solo, Canal Zone: Aircraft storehouse and accessories, \$285,000.

Marine Aviation facilities, Charlotte Amalie, V. I.: Quarters for naval personnel, including services and accessories, \$259,000; dispensary building and accessories, \$30,000.

Marine Corps Flying Field, Quantico, Va.: Aircraft and engine overhaul building and accessories, \$250,000; motor-test-stand building and accessories, \$80,000.

Marine Barracks, San Diego, Calif.: Development of rifle range at La Jolla, Calif., \$305,000.

Marine Barracks, Quantico, Va.: Contagious ward and accessories, \$65,000; barracks building and accessories, \$60,000; shop building and accessories, \$172,000; nurses' quarters and accessories, \$56,000.

Marine Corps Depot of Supplies, Philadelphia, Pa.: Storage buildings and accessories, \$1,300,000.

Naval Research Laboratory, Bellevue, D. C.: Barracks, mess hall, and instruction building, and accessories, \$230,000.

Naval Supply Depot, Pearl Harbor, T. H.: Provision storage building and accessories, \$250,000.

Naval Hospital, Mare Island, Calif.: Administration and subsistence building and accessories, \$475,000.

Naval Hospital, San Diego, Calif.: Sick officers' quarters and out-patients' clinic and accessories, \$175,000.

Naval Hospital, Norfolk, Va.: Barracks building and accessories, \$200,000.

Naval Hospital, Guam: Isolation and tuberculosis wards and accessories, \$47,000.

Naval Hospital, Pearl Harbor, T. H.: Barracks building and accessories, \$105,000.

Naval Radio Station, Gatun, C. Z.: Quarters and accessories, \$40,000.

Naval Radio Station, Eureka, Calif.: Quarters and accessories, \$15,000.

Naval Radio Station, Point Loma, Calif.: Quarters and accessories, \$22,000.

Naval Radio Station, Dutch Harbor, Alaska: Recreation building and accessories, \$12,000.

Naval Direction Finder Station, Point St. George, Calif.: Purchase of land, \$2,500.

Naval Direction Finder Station, Point Arguello, Calif.: Power-house, garage, dormitory building, and accessories, \$27,000; quarters and accessories, \$6,000.

Naval Direction Finder Station, Folly Island, S. C.: Reconstruction of station at new location, \$60,000.

Naval Direction Finder Station, Poyners Hill, N. C.: Barracks, compass house quarters, and accessories, \$52,000.

Naval Direction Finder Station, Jupiter, Fla.: Barracks, compass house, quarters, and accessories, \$50,000.

The Clerk read as follows:

Committee amendment: On page 2, after the period in line 10, add the following sentence:

"The Secretary of the Navy is hereby authorized and directed to appoint a board consisting of not less than five officers to investigate and report upon the need for purposes of national defense for acquisition by the Secretary of the Navy of two graving drydocks situated on San Francisco Bay and known as the Hunters Point drydocks, such report to include a statement of costs and fair values and to be made prior to April 18, 1939."

Mr. VINSON of Georgia. Mr. Chairman, I ask that this amendment be voted down for the reason that the Navy Department has submitted to the committee a report dealing with the acquisition of Hunters Point drydocks, which this language in the bill calls for.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was rejected.

The Clerk read as follows:

Committee amendment: Page 4, strike out lines 13, 14, and 15.

The amendment was agreed to.

The Clerk read as follows:

Committee amendment: Page 5, after line 7, insert a new paragraph as follows:

"Marine Barracks, Parris Island, S. C.: Buildings and accessories, \$3,018,500."

The amendment was agreed to.

The Clerk read as follows:

Committee amendment: Page 5, line 15, after the figure "\$56,000," insert "school building and accessories, \$250,000."

The committee amendment was agreed to.

Mr. IZAC. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise at this point to call attention to something that should be attended to at our earliest possible convenience. You will notice that we are authorizing the construction of a certain number of graving drydocks for the express purpose of taking care of the needs of the Navy. As long as there is another fleet in the Pacific in addition to ours we must retain our fleet in the Pacific, and the retention of the fleet in the Pacific necessitates shore bases.

I draw attention to the fact that from the Panama Canal for 1,800 miles there are no facilities for repairing and overhauling the ships of the fleet. At one time we rented or leased Magdalena Bay in Lower California. We have given that up. The nearest point to the Panama Canal on the west coast is San Diego, a natural harbor, used almost to the

fullest extent by the Navy at the present time; but I draw your attention to the fact that there is no dock of sufficient size in San Diego to take care of any ship larger than a destroyer. Likewise, there are no drydock facilities in southern California waters, and we have to go 500 miles away, to San Francisco Bay, before we find any graving dock of sufficient size to care for the needs of the Navy. There are only two on the west coast at the present time—Puget Sound and Mare Island. I have no fault to find with the committee, because, of course, the Navy feels they cannot ask too much authorization at one time, and they are asking for as much as they think the Congress will give them now.

Mr. VINSON of Georgia. Mr. Chairman, will the gentleman yield?

Mr. IZAC. I yield.

Mr. VINSON of Georgia. In connection with the serious lack of docking facilities on the west coast I may state to the gentleman from California that the Navy Department today sent a recommendation to the committee for the acquisition of Hunters Drydocks; and just as soon as the committee has opportunity to consider the matter, in all probability a bill to acquire the drydock in San Francisco Bay will be brought before the House for consideration.

Mr. IZAC. I am glad to hear the gentleman state that because, regardless of whether it is in my district or not, I believe the fleet needs more facilities for its maintenance.

I draw the committee's attention to the fact that every time it is necessary for a complete overhaul of even so small a ship as a destroyer it is necessary to expend several thousand dollars in fuel costs for the sending of the ship to Puget Sound and Mare Island because we do not have a drydock of ample facilities anywhere in southern California.

May I ask the committee at this time to consider in the near future the advisability of acquiring space and requesting authorization for the building of additional drydock facilities in southern California.

Mr. Chairman, I yield back the balance of my time.

Mr. HAVENNER. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, the recommendation that the Navy should acquire the Hunters Point drydocks as an essential part of its program for national defense originated in the Navy Department.

The Chief of Naval Operations, in a report submitted to the Committee on Naval Affairs on March 9, 1939, made the following statement:

The situation confronting the Navy with respect to adequate drydocking facilities is of serious concern to the national defense. Docking facilities on the west coast and in Hawaii are now inadequate to meet the needs of the existing fleet in time of peace. Even with the completion of the drydocks now under construction at the navy yards, Mare Island and Puget Sound, the peacetime situation will become steadily worse unless further relief is afforded, as vessels now under construction or authorized are added to the fleet.

The question of docking facilities has been the subject of exhaustive study and analysis in the Navy Department over a great many years. Shortages exist in all sizes of docks to meet peacetime and wartime requirements. As a result of these studies, the Department has outlined a program of additional docking facilities considered essential for the proper support of the fleet in the Pacific.

In my opinion the Navy should acquire the Hunters Point drydocks and should provide weight-handling facilities, power connections, galley, latrines, storehouse, and an assembly plant to permit the overhaul of our largest vessels in conjunction with the Mare Island Navy Yard.

The Committee on Naval Affairs, after an extensive examination of ranking officials of the Navy Department concerning the necessity for acquiring the Hunters Point drydocks, incorporated a provision in the bill now under consideration reading as follows:

The Secretary of the Navy is hereby authorized and directed to appoint a board consisting of not less than five officers to investigate and report upon the need for purposes of national defense for acquisition by the Secretary of the Navy of two graving drydocks situated on San Francisco Bay and known as the Hunters Point drydocks, such report to include a statement of costs and fair values and to be made prior to April 18, 1939.

The report of that special board to the Secretary of the Navy has been transmitted to the Committee on Naval Affairs. After a very lengthy and thorough study of the property and its proposed uses the board unequivocally recommends that the Government acquire the Hunters Point drydocks, including all present equipment, at a cost not to exceed \$3,500,000, and that an additional \$2,500,000 be expended on the property to permit its utilization as an annex to the United States Navy Yard at Mare Island.

The property to be acquired consists of two graving drydocks with land and necessary appurtenances and equipment, owned by the Bethlehem Shipbuilding Co., and located in the city and county of San Francisco at Hunters Point. One of the drydocks is about 700 feet long, capable of docking heavy cruisers. The other is 1,000 feet long, capable of docking 45,000-ton battleships and aircraft carriers.

The Secretary of the Navy reports that the land at Hunters Point is composed of a serpentine-rock formation, impervious to water, easily excavated, and particularly favorable for the construction of graving drydocks.

His report states that the site also has the following advantages of location:

It adjoins permanent deep water, affording adequate approaches to the drydocks by large vessels. It adjoins the largest and best anchorage ground in San Francisco Bay. It is conveniently situated with reference to San Francisco and to water and motor transportation facilities.

The report points out that the Bethlehem Shipbuilding Co. has not used this property as a shipbuilding plant, but only for drydocking vessels. It lacks essential facilities for repair work, even of a minor character, on a ship in dock.

The essential facilities which are lacking, and which are proposed to be provided if this authorization is approved by Congress, are as follows: (a) Adequate power supply so that the ship's generating equipment can be shut down while in the dock, also service connections, including air, salt water, fresh water, and steam; (b) weight-handling equipment, so that heavy parts can be removed from and reinstalled in the ship; (c) a galley ashore, so that the ship's galley can be shut down for repairs; (d) suitable latrine facilities for the crew while the ship is in dock; (e) a small storehouse, so that routine repair materials may be immediately available; (f) an assembly building, to permit the assembling of parts fabricated and manufactured elsewhere for installation in the vessel in dock, and to provide space in which to keep tools and equipment necessary to accomplish drydock work and other necessary repairs; (g) an adequate quay wall at which ships can be berthed prior to and after docking.

The drydock at Hunters Point is the only dock on the west coast, except that at the Bremerton Navy Yard, 1,815 miles to the north, which can accommodate a man-of-war or other large naval or merchant ships. In the past the Navy has paid the Bethlehem Shipbuilding Co. approximately \$45,000 a year, and frequently more, for a preferential use of the Hunters Point drydocks. As the report of the special naval board clearly emphasizes, a continuation of this arrangement is not considered to be in accord with the best interests of national defense.

I shall now include in the RECORD the report of the special navy board:

1. The board appointed by the Secretary of the Navy by letter of March 25, 1939, has made a careful study of all matters covered by the precept, and respectfully submits its report herewith.

DESCRIPTION OF THE PROPERTY

2. The property under investigation consists of two graving drydocks and the appurtenances and equipment necessary to their operation, owned by the Bethlehem Shipbuilding Corporation, located on the San Francisco side of San Francisco Bay at Point Avisadero (U. S. C. and G. S. Chart No. 5535), and commonly referred to as the "Hunters Point Drydocks." One of these drydocks is about 700 feet long, capable of docking heavy cruisers. The other is 1,000 feet long, capable of docking 45,000-ton battleships and aircraft carriers. The smaller of these drydocks is commonly designated as "No. 2 dock," and the larger is "No. 3 dock." These

designations might tend to indicate to one unfamiliar with the property that there are three drydocks there, but, as stated above, there are actually only two.

3. (a) The parcel of land on which these two drydocks are located contains about 48.6 acres, divided approximately as follows:

	Acres
Original area of dry land.....	15
Area reclaimed by fill.....	10
Present submerged area.....	23.6

The description of this land by metes and bounds is as follows: "Beginning at a point on the northeasterly line of Evans Avenue, distant thereon 450 feet southeasterly from the southeasterly line of Boalt Street, as shown on the 'map of the property of the South San Francisco Homestead and Railroad Association,' filed April 15, 1867, in book 2, 'A' and 'B' of maps, page 39, in the county recorder's office of the city and county of San Francisco; and running thence northeasterly on a line drawn parallel with said southeasterly line of Boalt Street 1,179.16 feet to a circular curve with a radius of 1,800 feet, whose center is a point on the northeasterly line of Galvez Avenue, distant thereon 250 feet southeasterly from the southeasterly line of Alford Street; thence southeasterly, southerly, and southwesterly along said curve with a radius of 1,800 feet, a distance of 2,727.28 feet to the northeasterly line of Evans Avenue, extended; thence northwesterly along said line of Evans Avenue and the extension thereof 2,174.67 feet to the point of beginning."

It is noted that the above-described tract of land contains, within the 23.6 acres of submerged area, approximately 8.9 acres, which lie outside of the established Federal Bulkhead Line, and, consequently, the absolute title to this 8.9-acre portion of the tract possibly does not vest in the Bethlehem Shipbuilding Corporation.

(b) This land is composed essentially of a serpentine rock formation, which is impervious to water, easily excavated, and hence particularly favorable for the construction of graving drydocks. The site also has the following advantages of location:

(a) It adjoins permanent deep water affording adequate approaches to the drydocks by large vessels.

(b) It adjoins the largest and best anchorage ground in San Francisco Bay.

(c) It is conveniently situated with reference to San Francisco and to water- and motor-transportation facilities.

4. This property has not been used by the Bethlehem Shipbuilding Corporation as a shipbuilding plant but only for the drydocking of vessels. It is not equipped with the facilities which have been found to be essential if any repair work, even of a minor character, is performed on a ship in dock. The essential facilities which are lacking are:

(a) Adequate power supply so that the ship's generating equipment can be shut down while in the dock; also service connections, including air, salt water, fresh water, and steam.

(b) Weight-handling equipment so that heavy parts can be removed from and reinstalled in the ship.

(c) A galley ashore so that the ship's galley can be shut down for repairs.

(d) Suitable latrine facilities for the crew while the ship is in dock.

(e) A small storehouse so that routine repair materials may be immediately available.

(f) An assembly building to permit the assembly of parts fabricated and manufactured elsewhere for installation in the vessel in dock, and to provide space in which to keep tools and equipment necessary to accomplish drydock work and other necessary repairs.

(g) An adequate quay wall at which ships can be berthed prior to and after docking.

The lack of these facilities produces a situation where two drydocks admirably suited for the accommodation of naval vessels cannot be utilized to anywhere near their full capacity. In fact, practically the only work which can be satisfactorily accomplished on Navy vessels in these docks in their present condition is the routine cleaning and painting of underwater surfaces.

HISTORY OF THE PROPERTY

5. Construction of the smaller of the two Hunters Point drydocks was started in 1901 and completed in 1903 by the San Francisco Dry Dock Co. The records of the Navy Department show that in 1912 the Union Iron Works Dry Dock Co., of San Francisco, which at that time owned the property, started negotiations with the Navy Department with a view of constructing a larger drydock adjacent to the one referred to above, and capable of accommodating the largest vessel which could transit the Panama Canal, then nearing completion. It appears from the record of the negotiations that the company sought to obtain a subsidy from the Government for the construction of this large dock in the form of a 10-year contract for the docking of naval vessels in San Francisco, which would guarantee payment by the Government for this service of at least \$50,000 per year. These negotiations led to a provision in the act of Congress approved June 30, 1914 (38 Stat. L., p. 406), which authorized the Secretary of the Navy to enter into contract for the use of the Hunters Point drydocks for a period of 6 years from the completion of the drydock capable of docking the largest vessel which could be passed through the locks of the Panama Canal. This statute further provided that, while the rate

of charge for docking naval vessels stipulated in such contract should not be in excess of the commercial rate, the compensation to be paid for this docking service would be at least \$50,000 per year. It also provided that if, during the contract period of 6 years, the necessities of the fleet required the docking of vessels which would necessitate a charge greater than \$50,000 per year, the Secretary of the Navy was authorized to have such vessels docked at rates not in excess of commercial rates.

6. On February 24, 1916, the Secretary of the Navy entered into a contract with the Union Iron Works Dry Dock Co., as authorized by the above-mentioned statute, and the company started constructing the large dock in that year. The date of its completion was the subject of dispute between the company and the Navy Department, because of the failure of the company to install a 50-ton crane at the dock as provided for in the plans and specifications, approved by the Navy Department and incorporated in the contract. This dispute was not settled until December 28, 1921, when a supplementary contract was entered into by the Secretary of the Navy and the company, in which the original specifications relative to weight-lifting facilities were modified, and the completion of the large drydock for the purposes of the original contract of February 24, 1916, was declared to be August 20, 1921. This drydock was, however, actually used by naval vessels prior to August 20, 1921, in 1919 and 1920, and it has been used in every year since that date to the present time.

7. In tracing the history of these two drydocks, the board has made every effort to determine the actual cost of their construction, as directed in paragraph 3 of the precept, enclosure (A). However, in view of the age of the smaller of these drydocks built in 1901-03, and the fact that it was built by a private company whose records were not available to the board, the question of the cost of its construction was not readily susceptible of factual determination. The only information bearing on this subject was found in the preliminary report of the Navy Yard Commission (Helm Commission) of 1916 (H. R. Doc. No. 1946, pt. 2, pp. 150-153), in the form of a statement by Mr. Howard C. Holmes, consulting engineer of the Union Iron Works Dry Dock Co., in which he acknowledged that he designed and built this drydock, and that its cost was "less than half a million dollars." With reference to the larger drydock constructed in 1916-19, the facts are clearer. As indicated in paragraph 6 above, this drydock was constructed under plans and specifications approved by the Navy Department before incorporation in the contract with the Union Iron Works Dry Dock Co. of February 24, 1916. Furthermore, as provided in this contract, this drydock was periodically inspected during the course of its construction by Navy Department representatives who made pertinent reports upon the progress of the work. Under date of June 3, 1920, the public-works officer of the navy yard, Mare Island, Calif., submitted an itemized statement showing the total cost of construction of this drydock to be \$1,083,702. The board, after careful consideration of the above facts, believes that the sum of \$1,500,000 constitutes at least a very close approximation of the original cost of construction of both of these drydocks, exclusive of all land and appurtenances.

USE OF HUNTERS POINT DRYDOCKS BY NAVAL VESSELS

8. The use of the Hunters Point drydocks by naval vessels has been regulated by contracts entered into by the Secretary of the Navy with the Union Iron Works Dry Dock Co., from February 24, 1916, until August 19, 1927, and with the Bethlehem Shipbuilding Corporation since the latter date to the present time. The original contract of February 24, 1916, provided for a term of 6 years from the completion of the large dock as determined by the Secretary of the Navy. The beginning of this 6-year contract period was officially declared to be August 20, 1921, by the supplementary contract of December 28, 1921. Since the large drydock had been used for five battleship dockings in 1919 and 1920, this supplementary contract provided that the company should be paid in full satisfaction of its claim for this service the sum of \$37,317.28, which was arrived at by applying the same docking rate agreed upon in the original contract (6½ cents per displacement ton for each day or fraction thereof that the vessel remained in dock).

9. The original 6-year contract expired on August 19, 1927. During the period of its continuance, the use of the drydocks by naval vessels, and the charges therefor, are shown in the following table:

Year	Ships docked	Docking charges	Guarantee	Total
1922	9	\$64,398.39		\$64,398.39
1923	6	30,835.20	\$19,164.80	50,000.00
1924	5	38,880.48	11,119.52	50,000.00
1925	5	34,348.87	15,651.13	50,000.00
1926	9	50,418.91		50,418.91
1927	8	46,223.51	3,776.49	50,000.00
Total	42	265,105.36	49,711.94	314,817.30

10. Since August 19, 1927, the expiration date of the 6-year contract, under which the Government acquired no permanent or continuing right, the Secretary of the Navy has entered into annual contracts with the Bethlehem Shipbuilding Corporation for the

drydocking of naval vessels at the Hunters Point drydocks. The following statistical table is applicable to this period from August 19, 1937, to date:

Year	Ships docked	Docking charges
1928	2	\$8,771.62
1929	6	93,813.43
1930	3	22,792.00
1931	4	45,032.40
1932	6	49,716.80
1933	5	39,066.43
1934	3	56,130.24
1935	6	37,790.64
1936	7	50,904.86
1937	5	32,622.00
1938	8	61,107.92
1939	5	39,745.84
Total	60	537,494.28

11. A recapitulation of the information contained in paragraphs 8, 9, and 10 above shows that the Hunters Point drydocks have been used 107 times by naval vessels since 1919, and that the Government has paid the sum of \$889,628.86 for this service.

12. The present annual contract with the Bethlehem Shipbuilding Corporation provides for services required from July 1, 1938, to June 30, 1939, for docking and undocking 450,000 displacement tons, more or less, at San Francisco, Calif., at the following rates:

Capital ships, 8 cents per displacement ton for each lay day or fraction thereof that such vessels occupy the drydock.

Aircraft carriers (*Ranger*, *Yorktown*, *Enterprise*, and *Wasp*), 20 cents per displacement ton for the haul day; 15 cents per displacement ton for each lay day or fraction thereof that such vessels occupy the dock.

Aircraft carriers (*Lexington* and *Saratoga*), 8 cents per displacement ton for the haul day and for each lay day that such vessels occupy the dock.

Light and heavy cruisers, 20 cents per displacement ton for the haul day and 15 cents per displacement ton for each lay day or fraction thereof that such vessels occupy the dock.

No charge is made for the use of the drydocks on Saturdays, Sundays, or holidays, except when work which specifically required docking is actually prosecuted on these days, and except when docked or undocked on these days. When no work can be done on a vessel in drydock on account of inclement weather, only one-half of the normal charge is made for the occupation of the dock.

PRESENT MATERIAL CONDITION OF THE PROPERTY AND FAIR VALUE THEREOF

13. In addition to the two drydocks, each of which has its individual pumping plant, the Hunters Point drydocks property includes the following structures, equipment, and improvements, all of which affect the present fair value of the property:

Brick warehouse; brick powerhouse and stack; brick sluice-gate house; storage building, corrugated iron on wood frame; brick pump and transformer house; two timber wharves, one at entrance to each drydock; equipment in powerhouse consisting of two 300-horsepower steam boilers, two 1,200 C. F. M. steam-driven compressors, and one high-pressure steam-driven pump. Miscellaneous equipment and improvements, such as tracks, paving, pumps, motors, brows, staging, lines, and so forth.

14. The present material condition of the drydocks and of the machinery and equipment necessary to their operation is described as follows in the report, submitted in March 1939 by an eminent drydock engineer, Mr. F. B. Smith, who was employed to inspect and appraise this property:

"The drydock side walls are badly cracked but still intact. There are no leaks; however, there is a small amount of seepage. The cracks are irregular and due to expansion and contraction, there being no contraction joints in the walls. There are no signs of displacement or settlement in either structure. The wooden floors of the docks are in good condition. Keel blocks are in good condition. The keel-block fittings and operating mechanisms, usually in Navy docks, were not installed. They use manila ropes and 'strong arms' to move the bilge blocks.

"The pump-well machinery for No. 3 dock is in as good condition as when installed. The steam-operated pumping machinery in the pump well of No. 2 dock was changed to electrical operation a few years ago.

"The three Corliss engines with rope drive operating the pumps have been replaced by three 400-horsepower electric motors, all in good condition. The caisson of both docks looks to be in good condition. The timber wharves at the entrance of both docks are in poor condition and to be valued at 50 percent of replacement costs.

"The surface operating plant of No. 2 dock is inadequate and in poor condition, consisting of an electric winch at the head of the dock and two steam capstans at the entrance. There are a number of hand capstans on each side; some of the steel bollards are missing and have been replaced by wooden bollards."

15. In order to arrive at a reliable present-day fair value of the entire Hunters Point property, the board, through the commandant of the Twelfth Naval District, secured the services of Mr. J. J.

Phillips and Mr. N. K. Crane, expert real-estate appraisers, to determine the value of the land, and of Mr. F. B. Smith, an eminent drydock engineer, for appraisal of the docks themselves and the appurtenances thereto. Their reports show the following valuations:

Land value.....	\$487,000
Replacement cost of dock No. 3.....	1,678,126
Replacement cost of dock No. 2.....	701,735
Other property.....	240,266

Total..... 3,107,127

16. The figures furnished by the appraisers for the land were based on the property having a total acreage of 48.6. As was pointed out in paragraph 3 (a), the title to approximately 8.9 acres of the "submerged area," the appraised value of which is \$19,384, appears not to vest in the Bethlehem Shipbuilding Corporation. As a consequence, the figures given by the appraisers as to the value of the land should probably be decreased in that amount.

17. In order to afford a check of Mr. Smith's appraisal of the drydocks and their appurtenances, the naval authorities of the Twelfth Naval District prepared separate estimates of the value of this property, and these estimates indicate that Mr. Smith's appraisal is not out of line. It will be noted that, so far as the drydocks proper are concerned, Mr. Smith's estimates are based on replacement costs and make no allowance for depreciation, his reason for this procedure being that in his estimation the expenditures made toward maintenance of the docks offset any depreciation. The board is of the opinion that while Mr. Smith's figures are basically sound, his contention with regard to allowance for depreciation is not correct, and that a minimum reduction in the appraised values of the docks proper of at least 10 percent, or \$237,986, should be made.

18. The figures quoted in paragraph 15 are for what might be termed "fixed property" only. In addition thereto, there is owned and used by the company much portable equipment, such as lines, floats, brows, staging, portable leads and connections, etc., necessary for the docking of vessels. If the Hunters Point property be acquired by the Government, this portable equipment should be obtained at the same time. Information furnished to the board by the commandant of the Twelfth Naval District indicates the value of this portable equipment to be \$52,000.

19. In view of the foregoing, the board is of the opinion that the total fair value, exclusive of any allowance for goodwill or going concern, for the entire Hunters Point drydock property is as follows:

Land.....	\$487,616
Dock No. 3.....	1,510,313
Dock No. 2.....	631,562
Other property.....	240,266
Portable equipment.....	52,000

Total..... 2,901,757

DRYDOCK SITUATION ON THE WEST COAST

20. On March 9, 1939, in hearings before the Committee on Naval Affairs, the Chief of Naval Operations made the following statement with regard to the need of naval docking facilities:

"The situation confronting the Navy with respect to adequate drydocking facilities is of serious concern to the national defense. Docking facilities on the west coast and in Hawaii are now inadequate to meet the needs of the existing fleet in time of peace. Even with the completion of the drydocks now under construction at the navy yards, Mare Island and Puget Sound, the peacetime situation will become steadily worse unless further relief is afforded as vessels now under construction or authorized are added to the fleet.

"The question of docking facilities has been the subject of exhaustive study and analysis in the Navy Department over a great many years. Shortages exist in all sizes of docks to meet peacetime and wartime requirements. As a result of these studies the Department has outlined a program of additional docking facilities considered essential for the proper support of the fleet in the Pacific."

21. The results of the studies mentioned in the second paragraph of the above quotation indicate the absolute need for 13 additional drydocks on the west coast and in Hawaii if the overhaul requirements of the Navy now in being, under construction, or authorized are to be met. As regards sizes of these additional docks, these are as follows:

Battleship and carrier.....	2
Cruiser.....	2
Destroyer and destroyer leader.....	19

¹ 4 of these docks are 2-unit docks. The actual number of docks is 5.

22. These studies are based upon the requirements of the peacetime fleet and, in general, make no allowance for the following:

- National emergency requirements.
- The probability that over-age ships will be retained in full commission even after replacement construction authorized by the Vinson Act has taken place.
- The probability that many of the decommissioned destroyers, etc., may be placed in a commissioned status at times other than at the beginning of a national emergency.

Should any or all of the above conditions obtain the need of additional facilities would be materially increased.

23. Of the additional docks listed above the following are in the present proposed Public Works authorization bill:

Battleship and carrier.....	1
Cruiser.....	1
Destroyer and destroyer leader.....	15

² 2 of these docks are 2-unit docks. The actual number of docks is 3.

This leaves six docks, distributed as to size as follows, not at present proposed for authorization:

Battleship and carrier.....	1
Cruiser.....	1
Destroyer and destroyer leader.....	14

³ These are both 2-unit docks. The actual number of docks is 2.

24. Studies of shipbuilding and drydock facilities, both naval and commercial, show that on the Pacific coast there are at the present time only one existing naval drydock and another under construction which will accommodate battleships and aircraft carriers. (Dock No. 3 at Hunters Point, which is a commercial dock, is not taken into consideration for reasons which will be made apparent in the next paragraph.) Both of these docks are located at the Puget Sound Navy Yard, Bremerton, Wash. In other words, in a coast line some 1,260 miles long, naval facilities for docking our capital ships exist at only one point, namely, the northern terminus of our coast line. Except during the summer months operations of the fleet are carried on at least 1,000 or more miles to the southward of this point. This means, in effect, that for the greater part of the year any of our major ships requiring regular or emergency docking in naval docks must steam on the order of 2,000 or more miles. With excellent facilities available in the San Francisco Bay area such a procedure is economically unsound. Furthermore, it is illogical to presuppose that, in the event of a national emergency, concentration of all of our major ships would take place at only one point, and that point the most northern one of our Pacific frontier. Thus both from economic and strategic viewpoints, the establishment of a naval drydock capable of taking care of our capital ships in the San Francisco Bay area is fully warranted.

25. In the preceding paragraph no consideration has been given to utilization of the commercial drydocks at Hunters Point to care for at least a part of the docking needs of our major naval vessels. The reasons for not considering this and all other commercial docks are as follows:

(1) Security: Many of the intricate mechanisms which require repair and overhaul while a naval vessel is in drydock are of a secret or confidential nature and should not be open to general inspection by other than regular naval civil employees. This condition can very well be handled at a navy yard or station where all civilian employees have been inducted into the service under strict civil-service procedures and all activities are under rigid control. At a commercial plant such control would be an exceedingly difficult, if not an impossible, matter;

(2) Lack of specially trained workmen: The workmen employed at a commercial yard are normally fully familiar with routine overhaul work. However, the intricate and highly technical military equipment on a man-of-war requires specially trained personnel.

(3) Lack of adequate facilities: The power-length ratios of naval vessels are many times greater than those of commercial vessels and, as a consequence, the normal commercial yard does not have the shop capacity nor the weight-handling equipment which are essential for proper overhaul of naval vessels. As was pointed out in paragraph 4, the Hunters Point dock is lacking in even the minimum essential facilities for minor overhaul and the present owners have failed to provide these facilities on the ground that the income from their plant does not warrant the necessary expenditure.

(4) Lack of availability: Even though the use of a commercial dock is contracted for by the Government there is no assurance that it will be fully available for naval vessels if necessity demands. Experience has indicated that in many instances commercial docking facilities have not been maintained in a condition suitable for instant use by naval vessels.

26. The board has also given consideration to the practicability of equipping the Hunters Point drydocks with necessary facilities for work on naval vessels, the docks to remain in private ownership and to be operated as commercial facilities. The board considers such an arrangement to be undesirable and impracticable if the Hunters Point docks are to be utilized for overhauls as well as for interim dockings. In the foregoing paragraph reference is made to the need for security and the lack of specially trained workmen at commercial plants. In addition, if the fullest use is to be made of the Hunters Point docks, they should be operated as an annex to the Mare Island Navy Yard in order that the splendid shop facilities of that yard may be fully available. The coordination of the navy yard's work with activities of a commercial plant of the kind under consideration would be a difficult, time-consuming, and costly procedure. Furthermore, a very important consideration is the fact that under present conditions, it has been impracticable to keep naval vessels in commercial docks for periods sufficient to permit proper drying-out

and painting because of the large docking charges. The Board of Inspection and Survey has repeatedly called attention to the insufficiency of the times spent in drydock and the resulting deterioration. If the docks are Government owned, the vessels will undoubtedly be left in dock for longer periods with little additional cost.

27. The selection of a site for the construction of a naval drydock in the San Francisco Bay area will be governed, among others, by the following considerations:

- (a) The size of the ship for which the facility is needed, particularly the draft.
- (b) The dock's proximity to the present fully equipped naval establishment at Mare Island.
- (c) Real-estate values at or near the site under discussion.
- (d) Foundation conditions, particularly as regards their effect upon the cost of construction of a graving dock.
- (e) As a corollary to (a) the depth and the width of the channel leading to the specific site.

28. In the entire San Francisco Bay area only three locations will satisfy the foregoing considerations to the extent that serious consideration should be given them for drydock construction, namely, Mare Island, Oakland-Alameda, and South San Francisco-Hunters Point.

29. The channel leading to Mare Island has a controlling depth of 30 feet and to increase and maintain an increased depth would prove inordinately expensive.

30. As regards a choice between the two remaining sites, both have, or can be made to have, sufficient depth of water to permit access to them by battleships. The Hunters Point site, however, is more favorably situated in this respect, since deep water is had immediately offshore. Both sites are approximately the same distance from Mare Island. Real-estate values run about the same at both places. The main point of difference between the two sites lies in the drydock foundation conditions. These conditions are all in favor of the Hunters Point site and have made for much smaller drydock construction costs at that location. This one fact makes the element of total cost, including the purchase of existing facilities and the provision of such others as are necessary, for the establishment of naval docks in favor of Hunters Point and indicates its selection.

31. Information obtained by the Board from the Bethlehem Shipbuilding Corporation indicates that during the period from January 1, 1937, to January 1, 1939, 76 commercial ships used these facilities, occupying them for an average of 176 dock-days per year. Of all the vessels utilizing the docks only six are of such dimensions that they cannot utilize other docking facilities in the San Francisco Bay area for their necessary overhaul. These six ships actually used the Hunters Point docks during the period mentioned above for an average of 20 days per year. Were these docks Navy-owned, provision could be made to permit their use for the routine docking and overhaul of the six commercial ships mentioned above.

AVAILABILITY OF DOCKS FOR PURCHASE

32. Acting under instructions from the Chief of the Bureau of Yards and Docks the commandant of the twelfth naval district, on March 14, 1939, requested the Bethlehem Shipbuilding Corporation to submit an offering price for the Hunters Point property. In reply to this request Mr. A. S. Gunn, general manager, West Coast Yards, shipbuilding division, Bethlehem Steel Co., San Francisco, Calif., replied, under date of March 16, 1939, as follows:

"Supplementing our letter of acknowledgment under date of March 15 in reference to your letter dated March 14 enclosing blueprints of the Hunters Point district in San Francisco and requesting a tentative estimated private-sale selling price of the portion bounded on these prints by lines A-B, A-C, and the waters of the San Francisco Bay:

"Having been in communication with our home office officials in regard to this subject I am requested by them to inform you that the property owned by our company within the above boundaries on the drawing submitted by you is not for sale; and at no time in the past has it ever been for sale:

"As you state the information is desired by the Navy Department we would appreciate your forwarding this reply."

CONCLUSIONS AND RECOMMENDATIONS

33. After due consideration of all the information and evidence, which was obtained, relative to the subject matter of the investigation, the Board has reached the following conclusions:

1. That, for the purposes of the national defense, there is need for and the Navy should acquire the Hunters Point drydocks property as soon as possible, and thereafter prosecute a program of improvements and additions thereto, as indicated hereafter in paragraph 34 of this report, which will render these drydocks capable of being utilized to their full capacity as an annex to the United States Navy Yard, Mare Island, Calif.

2. That, considering the appraised valuation contained in the report of the Board's appraisers and making allowance for possible increases therein which might be sustained in condemnation proceedings as well as an allowance for "going-concern" value, \$3,500,000 constitutes the maximum sum of money which should be expended by the Government for the acquisition of this property.

34. Accordingly, the Board respectfully submits its recommendations as follows:

1. That the Government acquire the Hunters Point drydocks, including their appurtenances and accessories, machinery and equipment, and the structures appertaining thereto, which are located on the tract of land described by metes and bounds in paragraph 3 (a) of this report.

2. That a sum of money not in excess of \$3,500,000 be expended for the acquisition of this property by the Government.

3. That after acquisition of this property by the Government, not less than the following minimum facilities, at the estimated costs shown, be provided to permit utilization of the property as an annex to the United States Navy Yard, Mare Island, Calif.:

Grading and filling (400,000 cubic yards at 60 cents per cubic yard)-----	\$240,000
Quay wall with necessary dredging (2,000 linear feet at \$400 per linear foot)-----	800,000
Assembly building office, and guardhouse (320 feet by 200 feet by 60 feet high—3,800,000 cubic feet at 14 cents per cubic foot, plus cranes (\$68,000)-----	600,000
Storehouse (320 feet by 120 feet, 2 stories; 1,150,000 cubic feet at 25 cents per cubic foot, plus bins and fixed equipment) (\$12,500)-----	300,000
Latrine and wash house (100 feet by 50 feet; 75,000 cubic feet at 40 cents per cubic foot)-----	30,000
Galley (100 feet by 50 feet by 15 feet high; 75,000 cubic feet at 30 cents per cubic foot, plus galley equipment) (\$17,500)-----	40,000
50-ton drydock crane-----	150,000
Power supply and roads, walks, and service lines-----	175,000
Crane tracks around drydocks (2,200 linear feet at \$75 per linear foot)-----	165,000
Total-----	2,500,000

JOSEPH R. DEFREES,

Rear Admiral, United States Navy, Senior Member.

BEN MOREELL,

Rear Admiral, Civil Engineer Corps, United States Navy.

EDWIN G. KINTNER,

Captain, Construction Corps, United States Navy.

CHARLES C. HARTIGAN,

Captain, United States Navy.

JOHN J. MANNING,

Commander, Civil Engineer Corps, United States Navy.

THOMAS L. MCCANN,

Lieutenant Commander, United States Navy, Recorder.

The Clerk read as follows:

Sec. 2. The act entitled "An act to authorize the Secretary of the Navy to proceed with the construction of certain public works, and for other purposes", approved April 15, 1935 (49 Stat. 155), is hereby amended by deleting the words and figures "floating drydock, type D, including mooring facilities and accessories, \$750,000" from the paragraph headed "Navy Yard, Pearl Harbor, Hawaii:", and by adding to the act of April 15, 1935, the following paragraph:

"Floating drydock, type D, including mooring facilities and accessories, \$1,710,000."

Mr. SUTPHIN. Mr. Chairman, I offer an amendment which I send to the Clerk's desk.

The Clerk read as follows:

Committee amendment offered by Mr. SUTPHIN: Page 7, after line 15, add a new section as follows:

"Sec. 3 (a) The Secretary of the Navy is hereby authorized to accept or acquire title in fee simple at a cost of not more than \$300,000 to all that area of land, including tide and submerged lands, filled and unfilled, situate, lying, and being in the middle harbor area of the city of Oakland, county of Alameda, State of California, now owned in part by the said city of Oakland and in part by the Southern Pacific Co., and described on a so-called Map and Description of Naval Supply Depot Site, dated September 17, 1936, as parcels A, B, C, D-1, D-2, D-3, and E, containing in all 402 acres, more or less, for use as a site for a naval supply depot: *Provided*, That such land shall be used only as a naval supply depot and for no other purpose, shall be a part of the Navy Yard, Mare Island, and shall be so administered by the commandant of that yard: *Provided further*, That the activities of said depot shall not overlap or encroach upon the storage of supplies, materials, and equipment required in connection with the industrial activities of the Navy Yard, Mare Island, Calif.

Sec. 2. The Secretary of the Navy is hereby authorized to proceed with the construction of fleet supply facilities, including buildings and accessories, on the land of which title has been accepted and acquired under authority of section 1 of this act, at a cost of not more than \$6,500,000.

Sec. 3. There is hereby authorized to be appropriated, out of any money in the Treasury of the United States not otherwise appropriated, such sums not to exceed \$6,500,000 as may be necessary to effectuate the purposes of this act.

Mr. SUTPHIN. Mr. Chairman, this amendment, if agreed to, would provide for the establishment of a supply base at Oakland, Calif., which has been under consideration by the

House of Representatives for some time. We can build the most powerful and fastest ships in the world, but they are of little or no value unless we provide adequate facilities for supplying and equipping them.

This amendment has been unanimously approved by the House Committee on Naval Affairs, and I hope it may be added to the pending bill because it is urgently needed at the present time.

Mr. VINSON of Georgia. Will the gentleman yield?

Mr. SUTPHIN. I yield to the gentleman from Georgia.

Mr. VINSON of Georgia. Is it not a fact that the Budget recommended this and we held hearings on a separate bill? What we are doing now is merely incorporating this item in the present Public Works bill?

Mr. SUTPHIN. That is true. It has been unanimously approved by the committee and by the Budget.

Mr. HOLMES. Will the gentleman yield?

Mr. SUTPHIN. I yield to the gentleman from Massachusetts.

Mr. HOLMES. This is an item of \$300,000 to acquire land?

Mr. SUTPHIN. To acquire land; yes. The city of Oakland is contributing 392 acres of land. There are approximately 10 acres owned by a railroad company in the tract involved here.

Mr. VINSON of Georgia. In other words, it is an easement and some railroad land?

Mr. SUTPHIN. Yes; where they have two docks erected at the present time.

Mr. WADSWORTH. Will the gentleman yield?

Mr. SUTPHIN. I yield to the gentleman from New York.

Mr. WADSWORTH. Can the gentleman inform us whether or not the Naval Affairs Committee of the House has made any report to the House on this matter?

Mr. SUTPHIN. It has. It is available right here.

Mr. WADSWORTH. It is pretty late.

Mr. VINSON of Georgia. It has been on the calendar for at least a month. It was unanimously reported. The gentleman from New Jersey introduced it as a separate bill and reported it as such. It was thought advisable to include it in this Public Works bill, and I suggested that the subject matter of that particular bill be incorporated in this bill.

Mr. WADSWORTH. This is a \$6,000,000 project.

Mr. SUTPHIN. Yes; \$6,500,000.

Mr. TOLAN. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I would like to state for the information of the Congress that the site offered for the establishment of the Navy supply depot contemplated in the amendment now pending is the most outstanding location in the United States for such a development.

The amendment is identical to H. R. 4897, by the gentleman from Georgia [Mr. VINSON], and now pending on the House Calendar, having received a favorable report from the House Naval Affairs Committee on March 23, 1939. The provisions are also identical to S. 1241, by Senator WALSH, reported favorably by the Senate Naval Affairs Committee, and now pending on the Senate Calendar.

The commandant of the Mare Island Navy Yard; the commandant of the twelfth naval district; the commander in chief of the United States Fleet; the Chief of Naval Operations; the Assistant Secretary of the Navy; the Secretary of the Navy; the Bureau of the Budget; Chairman WALSH, of the Senate Naval Affairs Committee; Chairman VINSON, of the House Naval Affairs Committee; all without exception state that the Oakland naval supply depot is a necessity in time of peace, a necessity in time of war, and a necessity now. I would not be inclined to respect any layman's opinion in opposition to such authority, nor, in my belief, would the Congress.

The Oakland Naval Supply Depot was originally sponsored as a Navy Department bill in the second session of the Seventy-fourth Congress. Chairman VINSON introduced

this bill on June 15, 1936 (H. R. 12969), and it merely provided for the establishment of a supply depot on San Francisco Bay. No site was mentioned. Since that time this item, naming Oakland as the location, has been before the Congress in seven different bills. I have sponsored such legislation in both the Seventy-fifth and Seventy-sixth Congresses.

In the summer of 1936 the Navy Department approached the Oakland port commissioners and asked that a site be offered by the city to the Navy Department. They requested tender of the site which we have before us today. It is designated as Middle Harbor, a section of our water front which was set aside for immediate development by the Oakland Port Commission. A conservative estimate of the value of the Middle Harbor site could be set at between \$1,500,000 and \$2,000,000. The appraisals made for the twelfth naval district would set the figure at \$1,000,000; but the Interstate Commerce Commission has set a value on adjoining railroad property at over \$21,000 an acre, and on that basis the Middle Harbor area could be valued at \$5,300,000.

However, I want to place these figures in the RECORD to demonstrate to the committee that Oakland has something to offer in return for this supply depot, and that the value of this site cannot be set at less than \$1,000,000 today. As Assistant Secretary Edison wrote to Chairman VINSON April 13, 1938:

It has occurred to me that sound business judgment would dictate that the Navy Department should acquire this site for future development while it is still available under the present terms and conditions.

In September 1936, following the introduction of the Vinson bill, the city council of Oakland proposed charter amendments which would authorize the grant of the site. These amendments were voted by the people, 87,275 to 9,688, in the November 1936 general election.

My own bill—H. R. 966—in the present Congress also provides for this same authorization, but it is my belief that this Oakland Naval Supply Depot item properly belongs, and should be included in this bill, the omnibus public works authorization bill of the Navy Department. It was included in the Department's omnibus public-works bill in the last Congress, but action on the Oakland development was postponed to permit Chairman WALSH of the Senate committee to make a trip to California and make an independent investigation of the site.

On January 23, 1939, the Assistant Secretary of the Navy addressed a letter to the Speaker of the House of Representatives in which he said that supply facilities in lower San Francisco Bay are absolutely necessary to correct the conditions existing at Mare Island—stocks held 30 miles from the anchorage, materials in scattered locations in the yard, and must be lightered or handled by supply ships, which involves expensive transportation, handling, damage, waste, and considerable length of time. After enumerating the above conditions he continued:

These facilities are a necessity in the event of a national emergency.

On January 26, 1939, the House Naval Affairs Committee received a report from a special investigating subcommittee, signed by five members thereof who inspected the sites in the San Francisco Bay area last fall. They concluded, after recitation of all the facts:

The Middle Harbor site at Oakland has been selected by the Navy Department as definitely the best location of all sites investigated over a period of many years. It has an area of 402 acres. It meets all the fundamental requirements. * * *

The subcommittee heartily concurs in the Navy Department's selection of the Oakland site. It considers that it has such geographical and natural advantages as to be ideally suited to the purpose. It is adjacent to the fleet anchorage; has ideal railroad facilities; and is possible of development at a very reasonable cost. Its size is such that with careful planning it will meet present needs and have sufficient area for development to meet supply needs which can now be foreseen as necessary in the not distant future to care for the expansion necessary if the Navy be increased afloat and in the air to adequately provide for national defense needs.

After his investigation of the various sites in the San Francisco Bay area, Chairman WALSH, of the Senate Naval Affairs Committee, wrote Chairman VINSON, of the House committee, January 19, 1938, urging House action on the Oakland supply depot. After citing the reasons upon which the Navy's request was founded, he concluded:

In view of the above I hope the committee of which you are chairman will restore the Oakland item when action is taken on the Navy Public Works bill.

And last month, in Senate hearings on this item, Senator WALSH stated directly to the members of his committee:

Gentlemen, there is no doubt about it, Oakland is immeasurably the best site for a naval supply depot, and the city of Oakland has been most generous in its offer to the Navy.

Assistant Secretary of the Navy Edison, in a written opinion to Chairman VINSON which I formerly mentioned, declared:

During my inspection trip last summer I was very favorably impressed with the so-called Oakland site. This site already provides adequate rail facilities as it is the terminus of two transcontinental lines, and also provides a natural land-locked harbor with easy access to the bay and the open sea.

In addition to the two foregoing reasons and due to prior commitments made by the Navy Department in good faith, I do recognize some moral obligation to the city of Oakland. This municipality, based on the Navy Department's expressed interest in the location, has gone to considerable expense in conducting an election to make this site available to the Government.

It is my considered judgment that proper planning for the effective and efficient use of the fleet, in the Pacific area, would dictate that favorable consideration should be given to acquisition of the so-called Oakland site for the development of a naval supply base this year.

Adjacent to the site offered by the city, the port of Oakland has available and developed over 13,113 linear feet of berthing space and 793,580 square feet of covered storage space. The Oakland site is in the heart of a highly developed industrial area, and in the center of one of the greatest agricultural areas in the world. The great central valleys of California converge on Oakland, the great variety of fruit, vegetables, and staple food commodities produced in this area supply choicest varieties to every State in the Nation.

The Oakland site lies adjacent to the main oil pipe lines of the refineries of practically every major oil company on the Pacific coast. There has never been any real opposition to my bill, except for other communities seeking this project.

With the additional increase in the size of the fleet it is just plain common sense to prepare for even more crowded conditions than those which face us at the present time.

I hope that the House will adopt the pending amendment and authorize this very necessary development on the Pacific Coast, necessary from the point of view of national defense, the protection of the Pacific Coast, and for the further development of the San Francisco Bay area. [Applause.]

Mr. CARTER. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, the gentleman from New Jersey has just offered an amendment to the bill under consideration here in the House which would authorize the establishment of a naval-supply depot at Oakland, Calif. I want to ask a favorable consideration of this amendment of each and every Member of the House. Permit me to say that the Navy Department, over a period of several years, has made five or six separate investigations having for their object the locating of the most desirable site on the Pacific coast for the establishment of a naval-supply depot. Each and every one of these committees has reached the conclusion that the site at Oakland is the most desirable.

The proposal to locate a naval-supply depot at Oakland came in the first instance from the Navy Department. The various committees, with one exception, making the investigations have consisted of naval experts; they have rendered their decisions entirely upon the facts, taking into consideration the best interests of our country from a national-defense point of view. A few months ago a subcommittee of the

Naval Affairs Committee of the House of Representatives made a personal inspection of the proposed sites on the Pacific coast, and unanimously reported in favor of the Oakland site. The Members of the House constituting this subcommittee were GEORGE J. BATES, of Massachusetts; W. STERLING COLE, New York; MELVIN J. MAAS, Minnesota; JAMES W. MOTT, Oregon; and WARREN G. MAGNUSON, Washington.

I am sure that we all have faith in the judgment of our colleagues who made this personal investigation and that we are ready to follow their unanimous recommendation. The proposed site in Oakland, which consists of 402 acres, has many advantages; it is adjacent to the fleet anchorage; it is unusually accessible to transcontinental rail transportation. In addition to the fleet, convoys could be supplied, loaded, and discharged in case of a national emergency. The area north of the site across the Southern Pacific tracks is a highly developed municipal and water-front territory, which would be available in time of national emergency for extending the naval supply depot facilities. It has many other splendid qualities which are set out in the report of the special investigating subcommittee consisting of our colleagues. The greater part of this area, through the generosity of the citizens of Oakland, is offered without cost to the Federal Government. We have instances every day here in this House where someone is asking something of the Federal Government. Today we are witnessing the rare procedure of having a municipality offer a piece of valuable land that is much needed by the Navy Department for a supply depot. The city officials, the port officials, and the entire citizenship of Oakland are to be congratulated on the generous cooperation that they have given in regard to this matter.

While this supply depot is not in my congressional district, it is immediately adjacent to my congressional district. I am thoroughly familiar with its location and the physical aspects surrounding it, and I am firmly convinced that it is well suited for the purpose for which the Navy desires to use it. Therefore I am asking you to adopt the amendment that is now pending because in so doing you are giving to the Navy a long-sought and much-needed facility for the Pacific coast which forges a very helpful and necessary link in our national defense.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

The CHAIRMAN. Under the rule the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. McLAUGHLIN, Chairman of the Committee of the Whole House on the state of the Union, reported that the Committee, having had under consideration the bill (H. R. 2878) to authorize the Secretary of the Navy to proceed with the construction of certain public works, and for other purposes, pursuant to House Resolution 137, he reported the same back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them in gross.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed; and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. HAVENNER. Mr. Speaker, I ask unanimous consent to revise and extend in the Record the remarks I made on the bill which has just been passed and to include therein a report of the special naval board.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. DIMOND. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record and include therein a short editorial with respect to national defense as it affects Alaska.

The SPEAKER. Is there objection to the request of the Delegate from Alaska?

There was no objection.

Mr. BYRNS of Tennessee. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record and include therein a brief statement prepared by M. F. Williams of the Eastern Dark Fired Tobacco Association.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. COFFEE of Washington. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record and include therein brief excerpts from editorials and a letter from a constituent.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

ALTERATIONS AND REPAIRS TO CERTAIN NAVAL VESSELS

Mr. VINSON of Georgia. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (S. 829) to authorize alterations and repairs to certain naval vessels, and for other purposes, for which a rule has been granted, and further ask unanimous consent that the bill may be considered in the House as in Committee of the Whole.

The Clerk read the title of the bill.

The SEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That for the purpose of modernizing the U. S. S. *Argonaut*, *Narwhal*, and *Nautilus*, alterations and repairs to such vessels are hereby authorized, and expenditures therefor shall not be limited by the provisions of the act approved July 18, 1935 (49 Stat. 482; 5 U. S. C. 468a): *Provided*, That the total cost of such alterations and repairs shall not exceed \$5,000,000.

Mr. VINSON of Georgia. Mr. Speaker, the object and purpose of this bill is to enable the Navy Department to recondition three submarines. This will cost approximately \$5,000,000. It is necessary to do this on account of the fact that the engines in one of the submarines have become so deteriorated that there have been some explosions, and this is also true in the case of another submarine. This is merely a bill to authorize the reconditioning of three submarines. By this expenditure the military life of the ships will be lengthened anywhere from 5 to 15 years.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

House Resolution 136 was laid on the table.

AUXILIARY VESSELS FOR THE NAVY

Mr. VINSON of Georgia. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 828) to permit the President to acquire and convert, as well as to construct, certain auxiliary vessels for the Navy, and I further ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Clerk read the bill as follows:

Be it enacted, etc., That section 1 of the act entitled "An act to authorize the construction of certain auxiliary vessels for the Navy," approved July 30, 1937 (50 Stat. 544), is hereby amended by inserting after the word "authorized," in the fifth line thereof, the words "to acquire and convert or," so that the said section as amended will read as follows:

"That for the purpose of furnishing or replacing auxiliary vessels urgently necessary for the proper maintenance and operation of the Navy, the President of the United States is hereby authorized to acquire and convert or to undertake the construction of about 36,050 tons (light displacement tonnage) of such auxiliary vessels

as follows, at a total cost for all vessels of not more than \$50,000,000;

- "(a) One seaplane tender of about 8,300 tons;
- "(b) One destroyer tender of about 9,000 tons;
- "(c) One mine sweeper of about 600 tons;
- "(d) One submarine tender of about 9,000 tons;
- "(e) One fleet tug of about 1,150 tons; and
- "(f) One oil tanker of about 8,000 tons."

SEC. 2. Sums heretofore or hereafter appropriated or made available for the commencement or for the construction and machinery, and armor, armament, and ammunition of auxiliary vessels for the Navy shall be held and considered to be available either for the acquisition and conversion or for the construction of such vessels.

SEC. 3. The act entitled "An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1937, and for prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1938, and for other purposes" (50 Stat. 755), is hereby amended by deleting therefrom, at page 769, the words "and the cost of either shall not exceed the estimated cost thereof set forth on pages 524 and 525 of the hearings of the House Committee on Appropriations on the third deficiency appropriation bill for the fiscal year 1937": *Provided*, That nothing herein contained shall be construed as increasing the limit of the total cost of \$50,000,000 imposed by the act of July 30, 1937, on the auxiliary vessels authorized therein.

Mr. DARDEN. Mr. Speaker, the purpose of this bill is to authorize the purchase of a tanker by the Navy through the Maritime Commission from the Standard Oil Co. of New Jersey, without any profit to the company. Pursuant to the act of 1936, 12 tankers were let to contract by the Standard Oil Co. of New Jersey. There was an increase in the cost of each one of \$880,000, by reason of additions approved by the Secretary of the Navy in the interest of national defense, and the added cost is being borne by the Government.

In 1937 we authorized the President to proceed with the construction of a tanker, and a later bill carried the necessary funds. In the Navy bill of May 17, 1938, we authorized him to purchase, convert, or construct four tankers. Since that time, by the act of June 25, 1938, money has been made available for the purchase of two of the tankers authorized in 1938. The one tanker authorized for construction in 1937 the Navy now desires, if possible, to purchase. In order to purchase it there must be an amendment to the Authorization Act of 1937. I understand that this will save the Navy upward of \$2,000,000, because it will have the advantage of the savings made by the Standard Oil Co. of New Jersey in letting the contract for 12 vessels at one time. If this amendment is agreed to, it will enable the Navy now to use funds available for the purchase of the remaining tanker desired by the Navy from the 12 now being constructed under the authority of the Maritime Commission by the Standard Oil Co. of New Jersey.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. DARDEN. Mr. Speaker, I yield to the gentleman from Pennsylvania.

Mr. RICH. Are these tankers to be used in any way to bring oil from foreign countries to the American shores, thus increasing our importation of oil?

Mr. DARDEN. No; I do not believe there is any such point involved there. These are simply oil supply ships for the Navy. They are high-speed tankers to be used with the fleet. They are not to be used for importing oil to this country.

Mr. RICH. Will we use all American oil in these tankers?

Mr. DARDEN. That I do not know. The tankers will be used for the transportation of oil purchased under open contract by the Navy.

Mr. RICH. Does the gentleman know that we have been importing 65,000,000 barrels of oil? It seems to me we ought to use oil we secure from our own oil reserves.

Mr. DARDEN. I believe the gentleman's objection goes to the use of the oil and not to the means of transportation.

Mr. RICH. Yes; that is the point I am trying to make. I am trying to find out if for any reason at all we will permit the Navy to use these tankers to secure oil from foreign countries. My hope is that we will use only American oil.

Mr. DARDEN. The tankers will not be used for the purpose of importing oil into this country. They will be used for the supply of the fleet.

Mr. RICH. I appreciate the fact that the vessels are going to be used to supply the fleet with oil, but I think, if possible, they ought to limit it to the transportation of oil that we secure from our own oil reserves.

Mr. DARDEN. The chairman of the committee informs me that American oil is used so no difficulty will be encountered on that score.

Before concluding my remarks I want to call to the attention of the House the value of the improvements in the Hampton Roads area which have been authorized by the bill considered but a few minutes ago.

One of the most important naval bases of the United States is located in the Hampton Roads area.

The navy yard located there was in existence in colonial days. It has grown as the country has grown and today represents one of the great industrial establishments owned by the Government engaged in the construction and repair of naval vessels and in the manufacture of naval equipment.

The naval operating base on Hampton Roads came into being by virtue of the tremendous demands of the fleet during the World War. Many of its facilities are still temporary buildings, badly in need of replacement, inefficient and expensive to maintain. We have, I am glad to say, in recent years made excellent progress toward the development of this station.

The bill just disposed of carries an authorization of \$190,000 for a dispensary building and accessories; \$375,000 for receiving station mess hall, galley building and accessories, and \$800,000 for receiving station barracks and accessories.

These items constitute needed improvements. They will by no means complete the work necessary to put the station in first-class order, but they do constitute a decided addition to the present establishment.

I hope that it may be the pleasure of the Congress within a short time to furnish the funds necessary to carry this work to a successful completion.

There is also carried in the bill an authorization of \$300,000 for auxiliary landing fields. The air-station facilities at the operating base were found by the Hepburn Board, in their investigation of last fall, to be inadequate for the use of the fleet, even in times of peace. As a matter of fact, the facilities are not adequate to serve even a small part of our present naval air force, and incredible as it may sound, this station is today our only naval air station on the Atlantic coast.

In recent years we have made excellent progress, so far as our fleet is concerned. We have made some progress in developing the necessary bases for our aircraft, but we have by no means the facilities necessary for the efficient operation of this great arm of national defense.

The naval bill which passed the House some time ago and which passed the Senate only a few days ago, includes an item for material expansion of the naval air station at Hampton Roads. This development is badly needed and it is my purpose to ask that the necessary funds be appropriated this year in order that the property may immediately be acquired and work started on its development.

The Navy has in recent years rented a number of auxiliary fields in the vicinity of the naval operating base at Hampton Roads for the use of naval aircraft. It is not possible to develop these fields on a leased basis, and with the authorization of \$300,000 here requested, it is the purpose to purchase a certain number of outlying fields as auxiliary bases to be used in conjunction with the naval operating base.

The bill also carries an item of \$200,000 for additions to the Naval Hospital at Norfolk, Va. The present hospital is not of sufficient capacity to take care of its part of the needs of the fleet operating in the Atlantic.

The expenditure proposed today is for the purpose of building barracks to properly house part of the hospital personnel. This addition does not represent by any means all the work that should be done there, and I hope that it may be possible for the Congress at some later time to authorize and appropriate funds necessary to bring the facilities there up to the demands of the fleet.

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There is also an item of \$165,000 included in the bill for the naval ammunition depot at St. Julians Creek, Va. This sum is needed for the erection of an explosive loading plant and accessories. The naval ammunition depot is a valuable adjunct of the fleet base. It provides storage facilities and also means whereby ammunition can be constantly watched and reconditioned as the occasion requires.

I wish that it were possible to authorize the construction of other needed improvements in this area, but I realize, as do other Members of the House who have studied the problem, that it is not possible for the Navy, with the funds at its disposal, to equip all of its stations simultaneously. Improvements must constantly be made and these improvements must of necessity be divided among the various shore stations in order to make them available and responsible so far as possible to the needs of the fleet, for we must bear in mind that naval bases are constructed for the fleet, and the real test of their usefulness lies in their capacity to serve the naval forces.

The bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

House Resolution 135 was laid on the table.

ADJOURNMENT OVER

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent leave of absence was granted, as follows:

To Mr. ALLEN of Pennsylvania for 2 days, on account of personal business.

To Mr. PETERSON of Georgia for several days, on account of official business.

To Mr. LELAND M. FORD, for 1 week, on account of illness.

To Mr. DINGELL (at the request of Mr. RABAUT), indefinitely, on account of the death of his father.

REPORT OF COMMITTEE ON COINAGE, WEIGHTS, AND MEASURES

Mr. SOMERS of New York. Mr. Speaker, the Committee on Coinage, Weights, and Measures asks unanimous consent to file its report on the bill it has had under consideration before midnight tonight.

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, will the gentleman incorporate in his request that the minority Members may also have the same opportunity to file minority views?

Mr. SOMERS of New York. It is understood that the minority report and the minority views are to be filed together. Pardon me for not stating that in my original request.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

EXTENSION OF REMARKS

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing a statement of the executive council of the American Federation of Labor.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. WOOD. Mr. Speaker, I ask unanimous consent to extend my remarks and include therein an article written by the Honorable John T. Woodruff, of Springfield, Mo., in which a very interesting and graphic history is given of the topography of the White River, and also the history of the discovery of its potential value for power-development purposes and flood control.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. ALEXANDER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by including therein a resolution from the Council of the City of Minneapolis, memorializing Congress to defeat any legislation designed to tax public securities either by levying a tax on the income thereof or otherwise.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

The SPEAKER. Under the previous order of the House, the gentleman from Indiana [Mr. LUDLOW] is entitled to recognition for 20 minutes.

WHY I AM A JEFFERSONIAN DEMOCRAT

Mr. LUDLOW. Mr. Speaker, this is the one hundred and ninety-sixth anniversary of the birth in nearby Virginia of a man who, in my estimation, was the greatest humanitarian since Jesus of Nazareth.

With the lightning flashes and thunders of war threatening the peace of the world, with our national debt piling up mountain high, and millions of our citizens tramping the streets looking in vain for work to earn their daily bread, it is altogether meet and proper that on this anniversary day we should reconsecrate ourselves at the feet of Jefferson and seek to derive from his life and example a guide to better days.

To my way of thinking, the finest word in the English language is the word "friend." I like to think of Jefferson as the friend of man, for that is what he was in all that the meaningful word "friend" connotes. His long life was replete with acts of friendship, in infinite and endless variety, impartially bestowed upon high and low alike, for to him "a man's a man, for a' that," and prince and pauper shared alike in the leveling processes of his affection. He was no mere "fair weather" friend. He was the kind of man who is a friend, not only when the birds sing and the flowers bloom and soft winds caress one's brow most soothingly but who is a friend also, and even more, in storm and stress and in the darkness of the night.

He had a passion for peace and he believed the way to keep America permanently at peace with the world is to cultivate friendly relations with all nations and entangling alliances with none. If he were alive today, what a great service he could perform in dispelling the ugly specter of world hate! To him it would be a sad and disappointing spectacle to see Cabinet ministers and Senators in charge of foreign affairs disturbing the equilibrium of international relations by fulminating bitter diatribes against rulers of foreign countries. He abhorred debt and was a devoted champion of economy for nations as well as for individuals.

He believed that national prosperity and happiness are to be achieved by observing the same simple rules of economy and prudence in governmental affairs that make an individual prosperous and happy, and he was continually striving during his two administrations of the Presidency to reduce the expense of government. His watchfulness over expenditures set an example that lasted far beyond his span of life and for a hundred years economy was the watchword of our statesmen. He was a foe of governmental interference and regimentation and was unyielding in his oft-expressed opinion that "that government is best which governs the least."

His faith in the people and the righteousness of their ultimate decisions was sublime, and he spent his entire life enlarging the frontiers of democracy. Jefferson did more than any other statesman who ever lived to free the human spirit. [Applause.] It is for us to continue his good work by enlarging the commonwealth of democracy. We can do this by making it possible for the people to exercise greater authority in solving the problems that affect them most nearly and vitally, and especially the most important and vital of all problems the imagination can conceive—the one relating to throwing our manhood into the holocaust of foreign wars.

The weakness of our American system is that our democracy stops at the water's edge. Our democracy is so circum-

scribed and limited that it does not apply to our foreign relations but only to our relatively unimportant domestic concerns. In its foreign relations our Government is not a democracy at all but a pure autocracy. Our people may vote for constable or dog catcher, but they cannot vote on a declaration that would sweep their sons into the indescribable hell of a foreign war. It seems to me it is a ridiculous limitation on the powers of democracy to say that the citizen may vote on the location of a sewer or a pesthouse but cannot vote on a proposal that may involve the death of his loved ones, the severing of family ties, an insufferable burden of grief and debt, and very possibly an ultimate change in our form of government which would rob him and posterity of the priceless franchise of freedom. We need to enlarge our democratic frontiers by extending our democracy to our foreign relations, thus adding the capstone to the Jeffersonian Bill of Rights.

I hope that in God's good time some modern Jefferson will succeed in getting this amendment for a referendum on foreign wars written into the American system. If he does, his name, like the name of Jefferson, will be blessed by the children of men forever.

Recently, for the first time, I paid my respects at the tomb of Jefferson. When I stood on that Virginia mountainside, a few miles from Charlottesville, the rays of early morning were gilding the shaft where rest the remains of the most outstanding humanitarian that nineteen centuries have produced since the great human God trod the hills of Nazareth. It is possible that reverence for Jefferson, inculcated in me by a long train of Democratic ancestors, may have swept me off my moorings on that occasion, but I cannot even faintly convey to any human understanding the feelings that welled in my breast. I was impressed beyond my feeble powers of language to describe by the inscription which he himself wrote for his tombstone and commanded to be placed there.

"Here," it reads, "was buried Thomas Jefferson, author of the Declaration of American Independence, of the statute of Virginia for religious freedom, and father of the University of Virginia."

That inscription, it seemed to me, is more eloquent for what it does not say than for what it says. There is not one word in it to show that he had been a Member of the Congress of the United States, Minister to France, and Secretary of State, and that he had held the highest office in the gift of his countrymen—the Presidency of the United States. He wanted to be known not for the positions of distinction he had held but for the service he had rendered to humanity. [Applause.] That was Jefferson, one of the most incomparably grand characters in the world's history; and I believe that if the man who hurled into the teeth of tyrants the defiant doctrine that "all men are created equal" were living today, under modern conditions of rapid communication and the general diffusion of intelligence, he would be supporting the proposal for a referendum on foreign wars, which would make all men equal when it comes to the greatest and most tragic of all decisions—the decision that means peace or war. That, I believe, would be his twentieth century contribution to democracy.

If I were gifted with descriptive powers equal to the task, I would like today, on the anniversary of this great man, to paint a picture of the two divergent political philosophies that run like two threads through our national existence from the beginning of American life down to this very hour—the School of Take and the School of Give.

The Hamiltonian philosophy teaches in substance and in essence that government should maintain and support an upper class, composed of the rich and powerful, and should trust the rich to take care of the poor. The theory is that government favor and largess extended to the rich and powerful would percolate down through the intervening human strata and some of the drippings would reach the poor and the weak. Under such an order the poor and the weak would remain underprivileged, underpaid, undernourished, with a future as black as midnight. The flowering of this system would mean that the benefits of government would be taken

away from the poor and the weak and monopolized by the rich and the powerful—the School of Take.

It is surprising how many selfish people there are in the world—how many people who, to use a common expression, "covet the earth with a fence around it." When I encounter a grasping individual of that type, I think what an awful punishment would be visited upon him if the Father of us all would just give him a world all by himself and would say to him:

"Here you have the ambrosia of the gods and the wealth of the Indies. All of this is yours to enjoy—alone."

O God, how poor he would be! With no one to love, and no one to love him, he would be the saddest and most pathetic human wreck the imagination could conceive. Oh, when can we ever learn, as Jefferson learned it, the lesson that society is interdependent and that the only way to be happy is to make others happy? [Applause.]

Just the opposite of the Hamiltonian philosophy was the idea of Jefferson, who wrote into the great Declaration the precious doctrine that "all men are created equal." He never for one moment forget the common people. Instead of despoiling them of their natural rights through privileged enactments and monopolistic practices his burning passion was to give them the more abundant life. He was the founder of the School of Give.

The beauty of the Jeffersonian philosophy is that it fosters comradeship. It makes brothers of you and me and all of us. It binds men one to another with hoops of steel. It recognizes the eternal truth that a hickory shirt or a calico dress may cover a heart as pure and true as any that beats beneath purple and fine linen; that virtue dwells as often in humble cottages and byways as in palaces. Unlike a government dominated by bureaucrats and catering to special privilege, it is no closed corporation. At its table is always spread a feast of love, and whosoever will may come. It teaches that we should manifest an interest in people, not for the purpose of exploiting them, but for the purpose of assisting them to higher and happier levels of living; that we should love our fellow men for what we can do for them and not, as the exponents of special privilege would have it, for what we can squeeze out of them. The concern of this Nation should be to see that the average citizen prospers; that however hard and drab may be the surroundings of boys and girls, in whose breast a righteous ambition burns, they shall have their chance to grow into the larger life; that their God-given right to reach the full stature of useful manhood and womanhood and to enjoy the fruits of honest toil shall not be barred or abridged by privileged statutes and practices that rob them of their birthright before they have fairly started on life's journey.

What America needs most of all in this twentieth century is a recrudescence of Jeffersonianism; a rebirth of the American spirit, dedicated to peace and harmony and neighborliness in the family of nations; a determination that ours shall not be a government of the few and for the few but a government of the people and for the people. Though Thomas Jefferson has been dead for 113 years, he still lives. From out of the background of history he points the way through the wilderness of world complications, economic distress, class hatreds, bureaucracy, and special privilege to a glorious fulfillment of our national destiny if we have the vision to see and the courage to do.

Times change, and in the eternal sweep of years governments take on many varied and fleeting forms, but I like to believe and I do believe—I will put it that way—that the great humanitarian principles of Jefferson, radiating love and comradeship and friendliness and helpfulness, were born up yonder in heaven, close to God and the angels, and will never die, but will go on and on, doing good forever, and that, Mr. Speaker, is why I am a Jeffersonian Democrat. [Applause.]

Mr. COX. Mr. Speaker, will the gentleman yield?

Mr. LUDLOW. Yes.

Mr. COX. Mr. Speaker, I trust that a copy of this very wonderful address, just delivered by the gentleman from

Indiana, may fall into the hands of every schoolboy and every schoolgirl in America, and that they may learn it and be able to repeat it for the remainder of their lives. It is a very wonderful address. [Applause.]

Mr. LUDLOW. I thank the gentleman from the bottom of my heart.

EXTENSION OF REMARKS

Mr. HOBBS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein an address delivered by our colleague from Missouri [Mr. CANNON] and another address by President Edward A. O'Neal, of the American Farm Bureau Federation, over N. B. C.

The SPEAKER pro tempore (Mr. ZIMMERMANN). Is there objection?

There was no objection.

The SPEAKER pro tempore. Under previous order of the House the Chair recognizes the gentleman from Pennsylvania [Mr. FADDIS] for 15 minutes.

REPEAL THE NEUTRALITY ACT

Mr. FADDIS. Mr. Speaker, President Hoover once said, "International trade is the lifeblood of civilization," and the history of the world attests the truth of this statement. The rise of mankind from the stage of savagery began, when he began to exchange those of his commodities, which he could the most easily procure and of which he naturally possessed a surplus, for commodities of which some other tribe possessed a surplus. Trade routes developed and as new resources of the earth became more generally available, the standard of living of those people engaging in commerce, steadily improved. Those nations, which by reason of geographical or other barriers, remained outside the trade orbit, did not advance. Nations which did not engage in trade became hermit nations, and their people did not develop as rapidly politically, intellectually, morally, or materially as did the people of the other nations. Nations, as well as people, require an exchange of ideas and commodities in order to develop progressively. Whatever interferes with this exchange works to the detriment of the people denied access to that trade. Men can find ample employment only when trade is operating unrestrictedly.

It is an axiom accepted by most students of world affairs that the more readily available the resources of the earth are to the nations of the earth, the more secure the peace of the world. This means that the trade lanes and markets of the world must not be restricted to any one nation or to any group of nations.

We, in this Nation today, are faced with the question of taking action to repeal or amend our present neutrality law. A group of professional isolationists endeavoring to defend this law maintain that to keep out of war we must maintain a policy of strict neutrality toward all belligerent nations—regardless of whether the cause of a nation is right, equitable, or just, as soon as it becomes involved in hostilities we must sever all commercial relations with that nation. The fact that certain powers, strategically located, are engaging in a program designed to restrict trade—and that in open violation of international law and their treaty pledges—seems to mean nothing to these isolationists. They prefer to ignore the fact that these nations, if victorious, will be in a position to cut the lines of communication anywhere in the world and paralyze the commerce of any or all nations at will. They seem to have forgotten the lessons of history, regarding the inevitable warfare resulting from closing any section of the world to trade. The results of an embargo policy in our own history are alike unheeded. They urge upon us the policy of the ostrich as insurance against war.

Mr. VAN ZANDT. Mr. Speaker, will the gentleman yield?

Mr. FADDIS. Yes.

Mr. VAN ZANDT. Would the gentleman be in favor of legislating to President Roosevelt the power to name an aggressor?

Mr. FADDIS. No, indeed. The power to make war is lodged by the Constitution in the Congress of the United States, and, to my mind, the power to name an aggressor would be almost equivalent to the power to declare war. I see no reason why we should lodge in the hands of any agency in this Nation the power to name an aggressor under any circumstances.

There has long existed an emotional, sentimental school of thought which believes we can place human nature in a strait jacket and establish the millenium by statute. To those who belong to this school of thought neutrality may seem to be a feasible proposition. On the other hand, there are many who, remembering the disastrous results of the "noble experiment," doubt the practicability of such utopian dreams.

A nation is a body of individuals acting collectively and therefore is subject to the composite psychological reaction of the mass of its individuals. This, in the final analysis, cannot be very different from the fundamental reaction of the normal individual. Now, the natural inclination of every normal individual is to be just and to desire that justice be done to all. It is natural for every normal human being to believe in one side or the other of every issue. According to the viewpoint of the individual, one side is right and one side is wrong. By far the larger percent will adjudge the aggressor to be in the wrong. If the issue is free of racial or religious prejudice, as is the Chinese-Japanese trouble, the verdict will be almost unanimously against the aggressor. The economic side of the question is ignored in favor of the moral side. It would be unnatural for a people not to wish to be right; but they cannot be right and be impartial. To end any condition which is unlawful or immoral you must pass judgment, and in doing so you cannot be neutral. If we are to exert any influence for good in the world, we cannot do so by announcing in advance to those who contemplate murder, rape, robbery, and arson on a world-wide scale that they may wreak their will, however evil, on the world and we will not interfere.

We, as individuals, could not afford to announce such a policy in regard to our domestic affairs, lest we suffer the inevitable consequences of being dominated by domestic gangsters. Neither can we apply such a principle to the conduct of our international affairs. Without justice, peace or tranquillity cannot prevail either in a nation or in the world at large. We might perhaps, by guarding our own shores very vigilantly, keep the marauders off our own territory, but at a great deal of expense, inconvenience, and loss of international trade, with the consequent retrogression in our standard of living. If we are ready to revert to an economic system in which every family spun its own thread, wove its own cloth, tailored its own clothes, tanned its own leather, and made its own shoes, manufactured its own furniture, brewed its own beer, raised its own foodstuffs, and lived mainly to itself, a policy of isolation and nonintercourse will bring about this reversion. The activities of the totalitarian states are directed toward the control of trade lanes and raw materials as much or more than they are to the acquisition of territory. The Rome-Berlin-Tokyo axis will most certainly operate in the restraint of world trade. If it becomes a permanent and threatening factor, it will most certainly seriously curtail our markets and especially those for our surplus farm products. Are we willing to be forced to become a satellite to the sun of totalitarianism in order to be allowed commercial intercourse with the world?

If a world war comes and we are able to remain out of it and the democratic nations are victorious, we will have to stand our share of the loss. We may profit temporarily but will eventually pay our share of the bill. If the totalitarian nations are victorious, the fact that we have treated both sides with equal consideration will avail us nothing, since our political philosophy and theirs is different. When we adopt a policy of neutrality we are surrendering our traditional policy of the freedom of the seas as far as trade with the belligerents is concerned. Just how much will we

be able to recover of this in peacetime? May nations not say we will not trade with those who refused to trade with us in time of need?

A strict system of neutrality will refuse food, clothing, and medicine to women and children as well as lethal weapons to the fighting forces. Wheat is a necessity for the soldier just as it is for the civilian. Cotton makes bandages for the wounded just the same as it makes high explosives to wound, clothes for women and children just as it makes clothes for soldiers. The supply and maintenance of the civilian population is as necessary as is that of the army. Everything today is a munition of war—steel, wheat, wool, rubber, cotton, oil, guns, trucks, airplanes. Victory will come to the nation which can marshal the greatest industrial army in support of its fighting forces. If we are to be neutral we must be so in word, in act, and in all material assistance. Prohibitions as to lethal weapons alone will not prevent war, keep us out of war, or take us into war. The need for other than lethal weapons may be the most pressing. We must recognize that any economic discrimination or prohibition is bound to be harmful to some of the belligerents and is sure to result in hard feelings. The only way in which we can be genuinely neutral is in the matter of credits. Here we can treat all alike and be subject to no repercussions. When we refuse credit we are unquestionably within our rights and in doing so are remaining as neutral as anyone could ask us to be. Refusal to extend credit is the only policy of neutrality which can keep us out of war.

Certainly during the past 4 years we have examples where our policy of neutrality was of distinct assistance to the aggressor. We have been a party to aggression perpetrated against a peaceful nation, innocent of all wrongdoing, by an aggressor wishing to enslave this nation for the purpose of using its resources in further conquests. China is fighting the fight of the democracies of the world and we are assisting the Japanese. We were in the same position in regard to the Spanish civil war, and the rape of Ethiopia by Italy. If we can be neutral and be right, let us be neutral. If the price of our neutrality means enslavement and exploitation of friendly innocent people by nations bent on world conquest, then the price is too great. The advance of the philosophy that might makes right is a threat to our security.

In passing a neutrality act we are committing our Nation to a course of action in a world crisis before we know what threat that crisis may hold in store for us. We are tying the hands of our Chief Executive at the very time we should be giving him all the discretion possible. We are extending an invitation to the forces of evil to become more evil still. We are announcing to the world that in case of war we are going to refuse help even in a humanitarian sense.

Today no one can guarantee what will develop in other parts of the world or what contingencies we may face tomorrow. The trigger men of the world are on a ruthless rampage. Their strokes are swift and are becoming swifter all the time. At such times as this we should impose wide discretionary powers in the head of our Nation, who is also the Commander in Chief of our armed forces. An army can have only one head in time of battle. It could not function with two or three heads, each working on a different plan. It could not function in a campaign where its movements are all fixed and advertised in advance. Neither can a nation function properly in its foreign affairs if hampered in this manner. If we fasten the rudder of the ship of state in a permanent position and forbid the captain to touch it, we are sure to come a wreck on a rock in the present turbulent sea of foreign affairs. Many men of this Nation, who have had years of experience in adjusting its relations with foreign nations, are advising that it is at this time a dangerous move to hamper our Chief Executive with the hard and fast policy of neutrality. [Applause.]

The SPEAKER pro tempore. Under previous order of the House the Chair recognizes the gentleman from Wisconsin [Mr. BOLLES] for 25 minutes.

Mr. BOLLES. Mr. Speaker, I find among the fugitive papers of a newspaper editor this statement so apropos of our time and our troubles:

The most inspiring spectacle presented by American history is the rise of millions of poor men to well-being and comfort—the creation of a vast, prosperous, and intelligent middle class. We are, and have always been, essentially a bourgeois nation. Europe for three centuries poured her millions upon our shores, the destitute, the unfortunate, the oppressed; and America turned them into prosperous farmers, tradesmen, artisans, doctors, lawyers. It is this, more than all our laws; more even than our Constitution with its Bill of Rights which makes us a democratic people. In certain countries there has been a conscious attempt to level society down to the lower class; in the United States the process has been reversed and the leveling has been upward. The distinguishing feature of our society is the high value we put upon the individual.

And I add to this that since the days when Malthus predicted a starved and famine-stricken world, in this very moment of our existence we have, through individual initiative, moved fast and far. We have food for a world which if equally distributed, will abolish famine universally.

We have erected structures which make the pyramids and the Tower of Babel, the Hanging Gardens of Babylon, and the Colossus of Rhodes, and all the seven wonders of the world—fantastic dreams of the ancients; we have more than 12,000 patents on building material and accessories, and nothing that can be conceived by man to be made by steel and cement and brick and stone and substitutes is impossible. That is the realm of architecture.

We have delved into the hidden mysteries of life, found new plants, vaulted the universe to arrange a new cosmos, tamed elements, put a harness and a yoke no nature's untranslatable moods and visible and invisible exhibitions, made from chemical processes cellular tissue that seemed once to be possible only under the direct hand of a Creator and given mankind marvels for playthings and for annihilation of time, distance, and death itself. That has come from science.

We have vaulted the deepest chasms, dug waterways in impossible places, tunneled like moles through miles of rock, carried water and oil and gas for hundreds of miles, burned holes in impregnable mountains, built motors that have no sense of speed, constructed machines that imitate humanity and better his judgment. That is engineering.

There is no secret about the human anatomy, no germ so infinitesimal that he may not be hunted to his lair, and by diet and prevention we have prolonged human life. That is in the realm of medicine.

But a Congress of 435 Representatives of the people and 96 Senators in the world's traditionally most dignified body, with Cabinet officers, and a President marvelous in agile versatility, we have been unable to solve the problem of the owner of the dairy cow.

Mr. Speaker, I raise my voice once more in the House in behalf of the dairy cow—25,000,000 of her kind.

The Vice President of the United States, the great former Speaker of this House, JOHN GARNER, is reported with no denial that when accused of voting for a tariff schedule, he said:

When it is raining doughnuts a man is foolish if he does not hold out his hat.

So while it is raining doughnuts I want my hat out as a proxy for the cows.

There has always been an agrarian problem in this world. The tiller of the soil, the food producer, the man who filled the bellies of the armies, has been the victim of power. The eternal conflict in this world has been the battle between liberty and power.

The problem of this world has been food.

It has been the problem of the salvation from famine. Away back in the days of Jeremiah the prophet, he understood it—

They that be slain by the sword are better than they that be slain with hunger; for these pine away stricken through for want of the fruits of the field.

There has not been ever—is not now—the problem of too much, but too little.

So long as a child needs more milk we need more milk.

So long as there is a hungry person we need more food protection.

Eli Whitney, a Yankee school teacher, went down to Georgia and invented the cotton gin. He created an empire. He enthroned cotton. He made great fortunes for others. He instigated commerce that started a flow of gold to the United States from every European country.

Cotton built great industrial cities in America and England. Lancashire became the spinning center of the world. New England prospered. Looms sang a song to the jangling chorus of a stream of gold.

When the Civil War closed, when ragged and saddened soldiers in gray made a weary journey back to broken homes, it was the one mule and the 30-acre-cotton patch that brought the South back to some economic prosperity. From the close of the Civil War to 1930 the wealth produced by cotton—from the sale of baled cotton—was greater than all the gold and silver mined in the United States. We had the world production. We were alarmed for a time about Sudan cotton but we went on and the looms of the world used American cotton. The world cotton market was the market for American cotton.

Where is it?

Who destroyed it?

Who is the Cock Robin that killed it?

It was killed by the incompetency of leadership of Wallace, Tugwell, and theatrical agrarian dreamers of a new utopia. It resolved itself into the problem of a snake swallowing its own tail. The tragedy of cotton is inscribed in its own handwriting.

There was a veterinary surgeon who was called upon to look over a human patient in an emergency. No general physician was available.

The "vet" said: "I don't know what is the matter, but I have some medicine here that will throw him into fits, and I'm hell on fits."

The Cotton States are suffering from fits. There is no veterinary surgeon to help them out. Every step taken puts them further and further out in economic safety. The only method devised so far is to go into the dairy business, and where cotton fields are no longer bright with the cotton bolls, there is hope that pastures will be filled with cows in competition with the dairy business of the Northern States. The President of the United States has indicated his approval of this method of transferring the business from the North to the South. In such a statement made by him a few days ago at Warm Springs he indicates that he is not the friend of the dairy cow up North.

On the floor of this House there is the same reflection. It is also reflected from the Agricultural Department. The Secretary of Agriculture was raised in a corn-hog country. From the time he became Secretary and head of this great Agricultural Department, Mr. Wallace has never appeared to realize that the dairy industry of the United States produces more farm revenue than either wheat, corn, rice, or tobacco. Next to the dairy is cotton. As I have said, the cotton market and the cotton industry has been practically destroyed by our agricultural program, supported and led by Mr. Wallace, and now he proposes to destroy the dairy market by its disintegration. What will happen to wheat and corn in the future is necessarily problematical. If we determine that dairying shall be transplanted and the acreage put out of business by the cotton program, we are certainly in great danger.

I have no intention of comparing Wisconsin with Missouri. That State received so many millions of dollars more than Wisconsin that it would be embarrassing to the Representatives of the Mule State to have them told. The Government has paid the State of Missouri for rental and benefits and soil conservation in the last 6 years close to \$90,000,000. But Missouri is also going into the dairy business, and I say

this as an example indicative of what a Southern State may do in order to transfer one form of agriculture to another. In 1932 the amount of cheese made in Missouri was 3,551,000 pounds; in 1937 it was 9,637,000 pounds, nearly three times as much as in 1932. The same relationship follows down through in evaporated milk and many other dairy products. Mississippi and other States have also stimulated dairy production. We have several Wisconsin farmers who have gone down into Mississippi and have herds from which are produced fluid milk for city markets, butter, and cheese. I do not have time to go into all these figures or to tabulate them, but the mere trend is sufficient to indicate.

Now, this result has come about from the program of the Agricultural Department, in its removal of crops from the market which was typical of the areas South, and substituted for them new kinds of crops, notably dairying. Other States have looked with jealous eye upon Wisconsin, Minnesota, and neighboring States which have a great dairying business. To some of those who look upon these farm plants with their cattle, their silos, their cream separating machinery, and all those accessories which make up the perfect milk factory on the farm, they believe that this can be transplanted almost by magic into a new world unaccustomed to the continuous toil and the great care which must be put into a dairy.

Oh, no, my friends, it cannot be done that way. There is more about dairying than appears on the surface. Nothing in this world has ever been created except by the labor of man. Every dollar of wealth we have in this world came from toil. Every dollar in the banks, every dollar the Government borrows, every penny that belongs to the wealthy or the well to do, has come from the toil of themselves or from some man somewhere down the line. None of this was done by magic. Even the gold taken from the earth from which great fortunes have been built had to come to him through the pick and shovel, and the operations of separating the ore from the good metal is of labor. So it is with the dairy business. Its first name is toil and labor and continued application.

When the pioneer came into Wisconsin with his few belongings, in his covered wagon, he made for himself a home. He borrowed no man's ax, received no legislative subsidy, nor any assistance from a government to erect a home, clear away the trees from the fields, or to plow his ground. For 40 years that part of Wisconsin in which he first settled was the great bread basket of this Nation. Millions of bushels of grain—wheat—were harvested. At first he carried his crop by slow ox-team process to mills or shipping ports on the lake, and then came the mills built along the rivers with water power in his own home location. This was true also of Illinois, of Iowa, of eastern Minnesota first settled, of Michigan, and of Ohio and Indiana. This was the great wheat area of the world. It brought into being our flour-mill industry. It employed thousands of people. It made a prosperous new country.

But in all these older States, especially in Wisconsin, and its southern part particularly, soil depletion, the chinch bug, the Hessian fly, and other pests cut down the production of wheat and greatly reduced its acreage. For some 10 years there was a great emigration from this part of Wisconsin to western Minnesota, Nebraska, and the Dakotas. There were the virgin fields of prairie and the wheat production of the United States passed away from the Western Central States to those beyond the Mississippi. Something had to take the place of wheat, and the farmers of Wisconsin, as well as in many other States, turned to dairying.

Leading in this movement was the late Gov. William D. Hoard, who was the evangelist for the new era for the farm. Then came Dr. Babcock with his test of milk and the desire to have herds of cattle which would live up to and be able to meet that test of butterfat in milk. So it was that year after year, over a period now of some five decades, Wisconsin has gradually taken her place as the leader in dairying. Today she stands foremost in the United States in the number of dairy cattle, in the sanitary conditions under which milk is produced, in the number of cheese factories and creameries,

and, together with her neighboring State of Minnesota, produces the largest percentage of butter in these United States. Wisconsin produces 72 percent of all the foreign-type cheese made in the United States. In a very small and restricted area there was produced 10,600,000 pounds of Swiss cheese. Besides that are the types of Limburger, Munster, brick, and other cheeses.

Eighty-five years ago a number of Swiss from Glarus, in Switzerland, came to the United States. They settled in the hilly country in Green County; they built a village and called it New Glarus. It is the Swiss capital of America today. These people knew how to make Swiss cheese; they did it in their homes or small community effort, and from that has come the Swiss-cheese production of which I have told you. They are among our finest citizens, Americans all, these people of the cheese capital of America.

All of these experiments concerning milk, how to make the most of it, how to build up herds of thoroughbred and graded cattle, how to solve the problems of bovine tuberculosis and Bang's disease, how to make the proper kind of cheese, how to make the best butter—all of these have had their beginnings in two great universities, that of Wisconsin and Minnesota, both have contributed to these necessary economic understandings, so that our products would be of the highest standard measured by any yardstick anywhere in the world.

Now it is proposed by the President of the United States and is a part of the policy of the Secretary of Agriculture that all this value which has gone into research and understanding in the plan of marketing and cooperative efforts shall be taken away and transferred to some place where in his egregious theoretic error he has destroyed another crop in order to bring economic prosperity to the very people whose livelihood he has taken away. How idiotic.

I do not believe any Member of this House should approach this subject in a mean spirit. I have been amazed at the vitriolic exhibition of mental astigmatism evidenced in attacks on my colleagues from Wisconsin who had the temerity to speak for the dairy. My surprise was great when I heard the erudite logician of this House—one so skilled in parliamentary procedure as the Member from Missouri—in the debate on this agricultural bill, charge a member of the Wisconsin delegation, Mr. KEEFE, with deliberate misstatements. The gentleman from Missouri [Mr. CANNON] then proceeded to submit an array of figures so out of tune with the real facts that he was condemned by his own lips and voice.

I should like to take that gentleman by the hand and lead him into the dark land of the dairy farmer of Wisconsin, Minnesota, Michigan, Iowa, and other dairy States—the cow land of the United States. For years everyone has been familiar with the three degrees of lies: First, there are lies; then damned lies; and third, the ultima thule of all lies—statistics. The Missouri gentleman is skilled in statistics.

Statistics a year, 2 years, 3 years old, do not tell the truth and the distinguished gentleman from around Pike County, whose greatest product was Champ Clark of blessed memory, cheated out of the presidency by a trick of oratory, would find his statistics utterly valueless if he could see an auction of Wisconsin cows—\$100 cows selling from \$50 to \$60 because the dairy business under the beneficent paternalism of our Government has gone to that place described by John Milton where Lucifer, sliding on ice, cried after a ride that took him—

Three times that lengthened day and night * * *
Which way I fly is hell; myself am hell.

So I shall leave the gentleman from Missouri sliding on the Hadean ice as I turn to another distinguished, hard-seasoned logician, the gentleman from Illinois, the outstanding publicity leader, chairman of the Rules Committees, Mr. ADOLPH SABATH. In the RECORD of a few days ago the gentleman from Illinois [Mr. SABATH] got into print this most marvelous piece of ponderous and platitudinous oratory:

I am not going to claim that I brought about this great increase in appropriations for the farmers just because I have been their friend. No; but it is the Democratic administration which

has demonstrated its friendship to the farmers; and I regret very much that these three Wisconsin milking men or milkmen have the nerve to claim that nothing has been done for the farmers or for the dairy industry, when I have shown we are appropriating for the dairy industry more this year than we appropriated for agriculture in general 30 years ago. I do not blame you Wisconsin Republicans trying to make political capital out of this in the hope that it might help you to come back from Wisconsin. You cannot do it. You fooled the people last year, but you cannot fool them again. They are commencing to realize that they are misled.

There was a justice of the peace in my little village where I was born up in Pennsylvania. He was also the town cobbler. A shyster lawyer who had lost a case berated this cobbler-justice. The Law was sitting on his shoemaker's bench, drivings pegs into a sole.

"I fine you," said he to the lawyer, "\$5 for contempt of court."

"Why, you idiot, you cannot do that; you are not holding court, you are only a cobbler."

"Well," said Justice Kimmell, "I tell you this court is an object of contempt at all times."

I leave the gentleman from Illinois here, except to add that his district, with its slums and its rickety wood-framed houses, its poverty and its squalor, needs more Wisconsin milk to create a better citizenship that will vote intelligently, as Wisconsin's electorate did in 1938.

Now we move back to Missouri again. I hesitate here after reading the biography of the gentleman in the Congressional Directory. I should be something of a soul sitting at the feet of Gamaliel. But this gentleman from Missouri [Mr. NELSON] added his raucous note to the contemptuous refrain concerning Wisconsin. I have a profound respect for the gentleman. Compared to my own superficial knowledge of farm problems, he shines like the great Arcturus in a vastly sown azure field of lesser stars. The gentleman overwhelmed the Wisconsin delegation—all Wisconsin people—with the typical expression of Missouri hospitality. I noted one oversight. He did not say, as he should, concerning the present greatest Missourian of the time, that Tom Pendergast, with whatever remnant of his entourage is still out of the penitentiary for election frauds which kept his State in the New Deal column, would be the chairman of the reception committee when we led our black and white cows down to feed upon the luscious bluegrass of Missouri. I take pleasure therefore in revising and correcting the satiric words of the gentleman from Missouri. I remember my first trip into his State, when as a youth I was traveling to St. Joe to take a job in a newspaper. I heard a great noise as we stood at a station. The circumambient air was torn by a terrific blare. I looked at my companion in the seat of a crowded day coach.

"Don't worry," he said, "that is the whistle on a mule factory—our biggest industry."

It was a jackass braying.

So reluctant as I am, I leave my distinguished colleague [Mr. NELSON] to his mules.

Forms of farming are regional. The tobacco of Virginia and North Carolina cannot be grown in Minnesota and Wisconsin. Cotton is of the South—so is sugar. The peanut is a southern article—even gumbo is not so good north of the Ohio River. The semitropic fruits have their habitat. This has been true over the whole period of our American existence. You can raise better mules in Tennessee and Missouri than in Wisconsin. Not every hillside will produce good apples. You cannot raise the Albemarle pippin in Wisconsin. We raise potatoes but we make no pretensions of seeking the market from Maine or Idaho.

Our first great problem is distribution. There is not a written word in any agricultural bill from 1933 to now that gives so much as a laughing consideration to this phase. Those people who think a bowl of grease from hogs' backbones is a spread for corn pone rather than butter could not be interested. We need more education in eating dairy products.

If they start dairying down South they will have to open schools in the use of butter as a spread for bread.

We want clothes made from southern cotton. We want the yellow yams and sweetpotatoes. We want the early spring vegetables, the onions, lettuce, beans, strawberries raised in the great truck garden of the South. We cannot produce them in their season. We disagree with the unskilled and uninformed idea of the President of the United States about being so completely one in all. I quote here from the speech of my colleague, AUGUST H. ANDRESEN, as already printed in the RECORD of April 5, quoting the President in an interview when he said:

That milk and cream for Florida came from Wisconsin and Minnesota and Iowa and Illinois. * * * You and I know * * * the (Southern) States can produce perfectly good milk and cream.

I went * * * to buy some apples. * * * The only ones I could find came from Washington and Oregon.

I went to buy meat. * * * The only meat I could buy came via Omaha and Kansas City and Chicago.

I wanted * * * a pair of shoes. * * * The only shoes I could buy had been made in Boston or Binghamton, N. Y., or St. Louis.

I don't believe that the South is so broke that it cannot put its own capital into the establishment of its own enterprises.

The President's lack of knowledge of the regional distribution of production is pitiful—nothing less.

Now, Mr. Speaker, may I sum up the dairy condition of today:

An industry differing entirely from all others in agriculture.

An enormous investment in plant and machinery.

A market restricted by monopoly in great consuming centers.

An industry given the least attention by the Agricultural Department but taken as a matter of course. "You have got to milk the cows."

We resent the attitude. We want definite attention. We are tired of contemptuous phrases and absurd statistics. We are rebellious and vocal. We want the balloonic-minded Agricultural Department to get down to terra firma.

We want the butter- and cheese-buying program to be renewed. We want the people on relief to get butter on their bread. We want this Government to stop its reciprocal-trade program that has destroyed our own market. There is but one great market for American products—that is the American market. All else, like the old hymn, is "shifting sand."

I put a resolution into this House 3 months ago. It asked that the Agricultural Committee investigate the effect on agricultural markets. This is the resolution, No. 47:

Whereas there is substantial disagreement throughout the country concerning the effect of reciprocal-trade agreements upon agriculture; and

Whereas it is desirable that full information concerning the effect of such agreements be before the Congress in order that Congress may determine its policy with respect to agriculture and foreign trade: Therefore be it

Resolved, That the Committee on Agriculture is authorized and directed, as a whole or by subcommittee, to investigate the effect of trade agreements made under section 350 of the Tariff Act of 1930 upon the markets for and prices of agricultural commodities, including livestock and dairy products.

The committee shall report to the House as soon as practicable during the present Congress the results of its investigations, together with such recommendations as it deems desirable.

For the purposes of this resolution the committee, or any subcommittee thereof, is authorized to sit and act during the present Congress at such times and places within the United States, whether or not the House is sitting, has recessed, or has adjourned, to hold such hearings, to require the attendance of such witnesses and the production of such books, papers, and documents, and to take such testimony as it deems necessary. Subpoenas shall be issued under the signature of the chairman of the committee or any member designated by him, and shall be served by any person designated by such chairman or member. The chairman of the committee or any member thereof may administer oaths to witnesses.

It went to the Rules Committee. Do you suppose it will ever get out of that cemetery, whose superintendent of graves is ADOLPH SABATH? No; never. He does not dare do it. He would be scared to death if he did at what might be found. I challenge him to put it to a hearing. Let him get up here and tell about it.

Mr. Speaker, we are in dire straits as the Nation's greatest industry. Somehow in this place I remember the Alamo. Since my childhood days that place in Texan history has clung to my soul. There Americans, battling for a great cause, the cause of liberty, fought to their death. And when the dead were counted no man was there who did not have his face to the foe. There was the soul of America, to face its enemies, to lose but win, to die but live—to live in eternity of remembrance.

We must not have an Alamo for American agriculture. I plead with you. You men of cotton, of sugar, of corn, of wheat, remember your obligations to the man who milks the cow, to the industry that feeds 5,000,000 children every day, now in the depth of its depression.

In the matter of farm foreclosures, I introduce this letter from the Farm Credit Administration to show what is happening not only all over the country, but in the State of Wisconsin:

Farm-mortgage foreclosures, about which you inquired in your letter of April 8, are estimated by the Farm Credit Administration at 17,304 in the entire United States during the last 6 months of 1938, or about 7.4 foreclosures per thousand farms under mortgage on January 1, 1935. This estimate, which includes foreclosures by all types of lenders, is based on reports received by the Farm Credit Administration from counties including from 22 to 30 percent of the farms in the United States. The data are for actual foreclosure sales only, excluding properties deeded voluntarily to the mortgagee.

During the period from July through December 1938, the Federal land banks have completed foreclosures (excluding voluntary deeds) on 2,832 Federal land-bank loans, of which 262 were in the State of Wisconsin. The Federal Farm Mortgage Corporation has completed foreclosures on 2,493 land-bank-commissioner loans during the same period, of which 168 were in the State of Wisconsin.

I summon Mr. Secretary of Agriculture Henry Wallace to the bar of public opinion.

Why, with all your millions spent on bracing a cotton market, did May cotton sell at 7.99 and spot Middling at 8.74, Monday, April 10?

Why, Mr. Wallace, did wheat sell at an average of 69 cents Monday? You have spent millions of taxpayers' money bolstering wheat.

Mr. Speaker, I ask that the table of grain prices be incorporated in my remarks.

Grain prices Apr. 10, 1939—Chicago market quotations

	Open	High	Low	Close
Wheat:				
May.....	69 $\frac{1}{4}$	69 $\frac{1}{4}$	68 $\frac{5}{8}$	68 $\frac{7}{8}$
July.....	68 $\frac{3}{4}$	68 $\frac{3}{4}$	68	68 $\frac{1}{2}$
September.....	68 $\frac{3}{4}$	69	68 $\frac{1}{2}$	68 $\frac{3}{4}$
Corn:				
May.....	48	48	47 $\frac{1}{4}$	47 $\frac{3}{4}$
July.....	49 $\frac{3}{4}$	49 $\frac{3}{4}$	49 $\frac{1}{2}$	49 $\frac{3}{4}$
September.....	50 $\frac{3}{4}$	50 $\frac{3}{4}$	50 $\frac{1}{2}$	50 $\frac{3}{4}$
Oats:				
May.....	29 $\frac{3}{4}$	29 $\frac{3}{4}$	29 $\frac{1}{4}$	29 $\frac{1}{2}$
July.....	27 $\frac{1}{2}$	27 $\frac{1}{2}$	27 $\frac{1}{4}$	27 $\frac{1}{2}$
September.....	26 $\frac{3}{4}$	26 $\frac{3}{4}$	26 $\frac{1}{2}$	26 $\frac{3}{4}$
Soybeans:				
May.....	87 $\frac{1}{4}$	87 $\frac{1}{4}$	87 $\frac{1}{4}$	87 $\frac{1}{4}$
July.....	85	85	85	85
October.....	72 $\frac{1}{2}$	72 $\frac{1}{2}$	72 $\frac{1}{2}$	72 $\frac{1}{2}$
Rye:				
May.....	42 $\frac{1}{2}$	42 $\frac{1}{2}$	42 $\frac{1}{4}$	42 $\frac{1}{2}$
July.....	43 $\frac{3}{4}$	44	43 $\frac{1}{2}$	43 $\frac{3}{4}$
September.....	44 $\frac{3}{4}$	45	44 $\frac{1}{2}$	44 $\frac{3}{4}$
Lard:				
May.....	6.32	6.32	6.22	6.25
July.....	6.42	6.45	6.37	6.37
September.....	6.57	6.57	6.52	6.52
October.....	6.57	6.57	6.57	6.57

Cash grain prices

Wheat: No. 3 hard, 70.
 Corn: No. 2 mixed, 52 $\frac{3}{4}$; No. 3, 51 $\frac{1}{4}$; No. 1 yellow, 49@49 $\frac{1}{4}$;
 No. 2, 48 $\frac{1}{2}$ @49; No. 3 white, 53@54.
 Oats: No. 2 mixed, 31 $\frac{1}{4}$; No. 3, 30; sample grade mixed, 29 $\frac{3}{4}$;
 No. 1 white, 32 $\frac{1}{2}$; No. 2, 32 $\frac{1}{2}$; sample grade white, 28 $\frac{3}{4}$ @31.
 Barley: Maltng, 52@60 nominal; feed, 35@45 nominal; No. 3
 barley, 48@45.
 Soybeans: No. 2 yellow, 88.
 Timothy seed: 2.85@3.15 nominal.
 Red clover: 13.00@16.00 nominal.
 Red top: 9.25@9.75 nominal.

If one reads this market report, he will find conclusive evidence of what an utter failure Mr. Wallace has been and how completely the farm program has failed. It has been a slow suicide or murder, like feeding ground glass to the victim.

It was once said that the world's barometer of business was regulated by the price of wheat in Liverpool. All other commodities rose and fell in sympathy with wheat. That is no longer true. It may have been so in the days of William Jennings Bryan, who thought and spoke for a wheat bushel of the value of one silver dollar. The standard now, the barometer now, is steel, its output and its price. As steel goes so goes business. If steel is prosperous, this Nation prospers; we can sell wheat, corn, hogs, cotton, butter, and cheese. Steel-mill prosperity means a thousand other mills are operating. But here is this morning's story of steel:

CLEVELAND, April 10.—Twenty-two leading steel companies, representing 92.5 percent of the Nation's total ingot capacity, incurred a \$10,936,841 deficit after all charges but before dividends in 1938, the magazine Steel's annual financial survey showed today. In 1937 the same producers had \$211,479,861 net profit.

Total income before deducting bond interest was \$22,061,470, compared with \$241,938,183 in 1937. The year's income, insufficient to meet funded-debt interest, indicated a 0.57-percent return on total capitalization, the lowest since 1934.

Taxes paid by 21 of the 22 companies, Steel said, totaled \$94,-514,280 in 1938 against \$159,992,152 in 1937.

For 18 of the reporting firms operations averaged 39.3 percent of ingot capacity in 1938 against 71.5 percent in 1937. Net sales of 19 companies totaled \$1,015,773,603, a 39.2-percent decrease from the 1937 figure of \$1,670,958,840. The leading producer did not report net sales, however, the publication said.

Of the 17 largest producers, only 2 showed earnings on common stock, National Steel Corporation, with \$3.05, and Inland Steel Co., with \$3.11.

Mr. Speaker, we can solve every agricultural problem by taking the poisoned hand of Government off industry. We need freedom of action. Six years of strangulation and guinea-pig experiments by bulging brain theorists have failed. We are going on gayly on this broad and flowery highway of failure so long as we keep this administration in office. There is a remedy. It cannot be applied until 1940.

Mr. Speaker, we are going to change this administration in 1940. We are going to change the emblem of the Republican Party from an elephant to a cow. We shall decorate her with cotton bouquets.

My one deep regret is that in that result in 1940 by the inexorable operation of politics we shall have to elect a new Speaker of this House. I may say that out of my own party it will be a task, indeed, to find one so fair, so competent, so universally loved and respected as the present Speaker of the House.

In testimony thereof for myself I shall send down to Alabama one perfect specimen of the black-and-white cow of Wisconsin, that upon her product he may have long life and good health and in anticipation vote for her preservation and the industry she represents. [Applause.]

EXTENSION OF REMARKS

Mr. FADDIS. Mr. Speaker, I ask unanimous consent that my colleague, the gentleman from Illinois [Mr. KELLER], may have permission to extend his own remarks and include therein a speech delivered by our former colleague, Mr. Binderup.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. NELSON. Mr. Speaker, I ask unanimous consent to extend my own remarks and to include therein an address delivered by Gov. Lloyd C. Stark, of Missouri, at Chicago last week before the Convention on Interstate Trade Barriers.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. GRANT of Alabama. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a news article from yesterday's Washington Daily News.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

ADJOURNMENT

Mr. RAYBURN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 30 minutes p. m.), pursuant to the order heretofore made, the House adjourned until Monday, April 17, 1939, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON FOREIGN AFFAIRS

The Committee on Foreign Affairs will meet again Monday, April 17, 1939, in the committee room, Capitol, for the purpose of continuing open hearings on the following bills and resolutions on the subject of neutrality: House Resolution 100, to prohibit the transfer, loan, or sale of arms or munitions (by Mrs. ROGERS of Massachusetts); House Joint Resolution 3, to prohibit the shipment of arms, ammunition, and implements of war from any place in the United States (by Mr. LUDLOW); House Joint Resolution 7, to implement the Kellogg-Briand Pact for World Peace (by Mr. GUYER of Kansas); House Joint Resolution 16, to prohibit the exportation of arms, ammunition, or implements or materials of war to any foreign country when the President finds a state of war to exist between or among two or more foreign states or between or among two or more opposing forces in the same foreign state (by Mr. KNUTSON); House Joint Resolution 42, providing for an embargo on scrap iron and pig iron under Public Resolution No. 27 of the Seventy-fifth Congress (by Mr. CRAWFORD); House Joint Resolution 44, to repeal the Neutrality Act (by Mr. FADDIS); House Joint Resolution 113, to prohibit the shipment of arms, ammunition, and implements of war from any place in the United States (by Mr. FISH); House Joint Resolution 226, to amend the Neutrality Act (by Mr. GEYER of California); House Joint Resolution 254, to keep the United States out of foreign wars, and to provide for the neutrality of the United States in the event of foreign wars (by Mr. FISH); House bill 79, to keep America out of war by repealing the so-called Neutrality Act of 1937 and by establishing and enforcing a policy of actual neutrality (by Mr. MAAS); House bill 163, to establish the neutrality of the United States (by Mr. LUDLOW); House bill 4232, to limit the traffic in war munitions to promote peace, and for other purposes (by Mr. VOORHIS of California); House bill 5223, Peace Act of 1939 (by Mr. HENNINGS); House bill 5432, to prohibit the export of arms, ammunition, and implements and materials of war to Japan, to prohibit the transportation of arms, ammunition, implements, and materials of war by vessels of the United States for the use of Japan, to restrict travel by American citizens on Japanese ships, and otherwise to prevent private persons and corporations subject to the jurisdiction of the United States from rendering aid or support to the Japanese invasion of China (by Mr. COFFEE of Washington); House bill 5575, Peace Act of 1939 (by Mr. HENNINGS).

Open hearings will continue from Monday, April 17 to April 26, beginning at 10 a. m. each day, with the exception of Saturday, April 22.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of the Through Routes Subcommittee of the Committee on Interstate and Foreign Commerce, at 10 a. m. Tuesday, April 18, 1939. Business to be considered: Hearing on H. R. 3400, through-routes bill.

COMMITTEE ON THE POST OFFICE AND POST ROADS

There will be a meeting of the Committee on the Post Office and Post Roads at 10 a. m. on Tuesday, April 25, 1939, for the consideration of H. R. 1827 to allow moving expenses to employees of the Railway Mail Service, and H. R. 4322, giving clerks in the Railway Mail Service the benefits of a holiday known as Armistice Day.

COMMITTEE ON MERCHANT MARINE AND FISHERIES

The Committee on Merchant Marine and Fisheries will hold public hearings in room 219, House Office Building, at 10 a. m., on the bills and dates listed below:

On Wednesday, April 19, 1939, at 10 a. m., the Committee on Merchant Marine and Fisheries will resume hearings on the bill (H. R. 5130) to amend certain provisions of the Merchant Marine and Shipping Acts, to further the development of the American merchant marine, and for other purposes.

On Tuesday, April 25, 1939, at 10 a. m., the committee will hold public hearings on the following bills: H. R. 2383, H. R. 2543, H. R. 2558, to increase further the efficiency of the Coast Guard by authorizing the retirement, under certain conditions, of enlisted personnel thereof with 20 or more years of service.

On Wednesday, April 26, 1939, at 10 a. m., the following bills: H. R. 4592, allowing all registered vessels to engage in the whale fishery; H. R. 4593, relating to the whale fishery.

On Thursday, May 4, 1939, at 10 a. m., on H. R. 4650, making electricians licensed officers.

EXECUTIVE COMMUNICATIONS, ETC.

635. Under clause 2 of rule XXIV a letter from the Attorney General, transmitting the draft of a proposed bill to amend the Judicial Code, was taken from the Speaker's table and referred to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. CHANDLER: Committee on the Judiciary. H. R. 162. A bill to make effective in the district court for the Territory of Hawaii rules promulgated by the Supreme Court of the United States governing pleading, practice, and procedure in the district courts of the United States; without amendment (Rept. No. 404). Referred to the House Calendar.

Mr. CHANDLER: Committee on the Judiciary. H. R. 4532. A bill to make effective in the District Court of the United States for Puerto Rico rules promulgated by the Supreme Court of the United States governing pleading, practice, and procedure in the district courts of the United States; without amendment (Rept. No. 405). Referred to the House Calendar.

Mr. SOMERS of New York: Committee on Coinage, Weights, and Measures. H. R. 3325. A bill to extend the time within which the powers relating to the stabilization fund and alteration of the weight of the dollar may be exercised; with amendment (Rept. No. 406). Referred to the Committee of the Whole House on the state of the Union.

Mr. CHANDLER: Committee on the Judiciary. H. R. 1652. A bill to amend section 90 of the Judicial Code, as amended, with respect to the terms of the Federal district court for the northern district of Mississippi; without amendment (Rept. No. 407). Referred to the Committee of the Whole House on the state of the Union.

CHANGE OF REFERENCE

Under clause 2 of rule XXII, the Committee on Claims was discharged from the consideration of the bill (H. R. 5115) for the relief of Harry W. Lyle; and the same was referred to the Committee on War Claims.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CASE of South Dakota:

H. R. 5746. A bill to provide for the correction of the list of approved Pine Ridge lost allotment claims, and for other purposes; to the Committee on Indian Affairs.

By Mr. LEAVY:

H. R. 5747. A bill to authorize the addition of certain lands to the Wenatchee National Forest; to the Committee on the Public Lands.

By Mr. DOUGHTON:

H. R. 5748. A bill to amend the Second Liberty Bond Act, as amended; to the Committee on Ways and Means.

By Mr. JEFFRIES:

H. R. 5749. A bill to provide for the construction and operation by the Federal Government of a system of new, durable, hard-surfaced toll automobile highways; to provide for the financing of same; relief of unemployment; promotion of public safety; stimulation of general business; national defense; and for other purposes; to the Committee on Ways and Means.

By Mr. HOLMES:

H. R. 5750. A bill to amend the Motor Carrier Act, 1935, with respect to the power of the Commission to limit the scope of the operations of certain carriers, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. MUNDT:

H. R. 5751 (by request). A bill to improve, maintain, and safeguard the military and economic security of the United States, stimulate the production of new wealth and create opportunities for capital and labor by regulating the importation and exportation of raw materials of the farms, forests, mines, and fisheries, and for other purposes; to the Committee on Ways and Means.

By Mr. CHURCH:

H. R. 5752. A bill to provide for the establishment of a Coast Guard station on the shore of Illinois at or near Waukegan Harbor, Waukegan, Lake County; to the Committee on Merchant Marine and Fisheries.

By Mr. MANSFIELD:

H. R. 5753. A bill authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes; to the Committee on Rivers and Harbors.

By Mr. SHAFER of Michigan:

H. R. 5754 (by request). A bill to provide compensatory time for Government employees for holiday work; to the Committee on the Civil Service.

By Mr. ALEXANDER:

H. R. 5755. A bill authorizing the States of Minnesota and Wisconsin to construct, maintain, and operate a free highway bridge across the St. Croix River at or near Osceola, Wis., and Chisago County, Minn.; to the Committee on Interstate and Foreign Commerce.

By Mr. BOYKIN:

H. R. 5756. A bill to amend section 509 of the Merchant Marine Act, 1936, as amended; to the Committee on Merchant Marine and Fisheries.

By Mr. GILLIE:

H. R. 5757. A bill to require that periodicals sent through the mails or introduced into interstate commerce contain the name of the publisher, the place of publication, and for other purposes; to the Committee on the Post Office and Post Roads.

By Mr. MURDOCK of Arizona:

H. R. 5758. A bill to add certain lands to the Papago Indian Reservation in Arizona; to the Committee on Indian Affairs.

By Mr. STEAGALL:

H. R. 5759. A bill to amend section 8 of the act entitled "An act to supplement laws against unlawful restraints and monopolies, and for other purposes," particularly with reference to interlocking bank directorates, known as the Clayton Act; to the Committee on the Judiciary.

By Mr. HENDRICKS:

H. R. 5760. A bill for the establishment of an antiaircraft training area and target range within the State of Florida; to the Committee on Military Affairs.

By Mr. KERR:

H. R. 5761. A bill to increase the principal amount of loans made by the land bank commissioner from \$7,500 to \$15,000; to the Committee on Agriculture.

By Mr. LEA:

H. R. 5762. A bill to amend the Federal Food, Drug, and Cosmetic Act; to the Committee on Interstate and Foreign Commerce.

By Mr. BARRY:

H. R. 5763. A bill to amend section 5136 of the Revised Statutes, as amended, to authorize charitable contributions by national banking associations; to the Committee on Banking and Currency.

By Mr. KELLER:

H. R. 5764. A bill to provide for the establishment of a cemetery within the Crab Orchard Creek Dam project, Williamson County, Ill.; to the Committee on Agriculture.

By Mr. VINSON of Georgia:

H. R. 5765. A bill to authorize commissioning aviation cadets in the Naval and Marine Corps Reserves upon completion of training, and for other purposes; to the Committee on Naval Affairs.

H. R. 5766. A bill to provide for the acquisition of drydock facilities for the Navy on San Francisco Bay, and to authorize the construction of certain public works, and for other purposes; to the Committee on Naval Affairs.

By Mr. THORKELSON:

H. J. Res. 264. Joint resolution to approve the action of the Secretary of the Interior deferring the collection of certain irrigation-construction charges against lands under the San Carlos and Flathead Indian irrigation projects; to the Committee on Indian Affairs.

By Mr. WOOD:

H. J. Res. 265. Joint resolution authorizing the Bureau of Labor Statistics to make studies of productivity and labor costs in industry; to the Committee on Labor.

By Mr. COFFEE of Washington:

H. J. Res. 266. Joint resolution making a further additional appropriation for work relief and relief for the fiscal year ending June 30, 1939; to the Committee on Appropriations.

By Mr. JARMAN:

H. Con. Res. 16. Concurrent resolution authorizing the printing of additional copies of House Report No. 2 on Investigation of Un-American Activities and Propaganda; to the Committee on Printing.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CASEY of Massachusetts:

H. R. 5767. A bill for the relief of Joseph Bardier; to the Committee on Claims.

By Mr. DELANEY:

H. R. 5768. A bill granting a pension to Sophie Hyams; to the Committee on Invalid Pensions.

By Mr. DEMPSEY:

H. R. 5769. A bill for the relief of Alice Minnick; to the Committee on Claims.

By Mr. EATON of California:

H. R. 5770. A bill granting a pension to Katrina Rautmann; to the Committee on Invalid Pensions.

By Mr. HINSHAW:

H. R. 5771. A bill for the relief of Louis St. Jacques; to the Committee on Claims.

H. R. 5772. A bill for the relief of Ralph Doose; to the Committee on Claims.

By Mr. HOLMES:

H. R. 5773. A bill for the relief of the Worcester Pressed Aluminum Co.; to the Committee on Claims.

By Mr. LEAVY:

H. R. 5774. A bill for the relief of Mabel Rogers; to the Committee on Claims.

By Mr. McCORMACK:

H. R. 5775. A bill for the relief of Michael M. Cohen; to the Committee on Claims.

By Mr. MAAS:

H. R. 5776. A bill for the relief of Albert DePonti; to the Committee on Claims.

By Mr. MASON:

H. R. 5777. A bill granting an increase of pension to Ida M. Brewer; to the Committee on Invalid Pensions.

By Mr. ROBINSON of Utah:

H. R. 5778. A bill for the relief of George Matty; to the Committee on Claims.

By Mr. SABATH:

H. R. 5779. A bill for the relief of Eva Lipkovsky; to the Committee on Immigration and Naturalization.

By Mr. KERR:

H. R. 5780. A bill for the relief of David E. Taylor; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2493. By Mr. GRAHAM: Petition of the Catholic Daughters of America, No. 231, New Castle, Pa., opposing any proposed changes in the present Neutrality Act; to the Committee on Foreign Affairs.

2494. By Mr. HART: Memorial of the One Hundred and Sixty-third Legislature of the State of New Jersey, memorializing the Congress of the United States not to enact legislation seeking to establish Federal ownership over oil deposits occurring in tidal and submerged lands of the Nation; to the Committee on the Judiciary.

2495. Also, petition of the Board of Commissioners of Union City, N. J., objecting to the dismissal of many thousands of citizens from employment under the Works Progress Administration in this city, and petitioning the Congress to follow out the recommendations of President Roosevelt in appropriating sufficient money to continue employment under the Works Progress Administration, and to maintain the said Works Progress Administration employment at the present level; to the Committee on Appropriations.

2496. By Mr. MERRITT: Resolution of the St. Albans Post, No. 2030, Veterans of Foreign Wars of the United States, endorsing House bill 2725 (Rankin bill) and petitioning Congress to pass favorably upon said bill; to the Committee on World War Veterans' Legislation.

2497. By Mr. PFEIFER: Petition of the Abbe Engineering Co., New York City, urging support of the Ellender sugar bill (S. 69); to the Committee on Agriculture.

2498. Also, petition of the Industrial Home for the Blind, Brooklyn, N. Y., favoring the O'Day bill (H. R. 5136); to the Committee on the Library.

2499. Also, petition of the National Association of Post Office Mechanics, Local No. 31, Oyster Bay, N. Y., favoring the passage of House bill 892; to the Committee on the Post Office and Post Roads.

2500. Also, petition of the American Mining Congress, Washington, D. C., concerning House bills 5068 and 5069; to the Committee on Military Affairs.

2501. Also, petition of the Brooklyn Branch, Women's International League for Peace and Freedom, Brooklyn, N. Y., concerning the Fish bill (H. R. 2645); to the Committee on Foreign Affairs.

2502. Also, petition of Barron G. Collier, Inc., New York City, urging support to postpone the effective date of the labeling provisions of the Federal Food, Drug, and Cosmetic Act to January 1, 1940; to the Committee on Interstate and Foreign Commerce.

2503. By Mr. CLEVINGER: Petition of the residents of Putnam and Allen Counties, Ohio, urging either repeal of the Federal Wage-Hour Act, or the enactment of legislation to exclude from the operations of the Federal Wage-Hour Act the small telephone companies; to the Committee on Labor.

2504. By Mr. JONES of Ohio: Petition of E. A. Strong and 488 others; to the Committee on Agriculture.

2505. By Mr. KEOGH: Petition of the Griffin Public Schools, Griffin, Ga., concerning the Harrison-Larrabee-Thomas, educational aid bill; to the Committee on Education.

2506. Also, petition of the National Association of Post Office Mechanics, Local 31, Oyster Bay, Long Island, N. Y., favoring the passage of House bill 892; to the Committee on the Post Office and Post Roads.

2507. Also, petition of Barron G. Collier, Inc., New York City, concerning the labeling provisions of the Federal Food, Drug, and Cosmetic Act postponement to January 1, 1940; to the Committee on Interstate and Foreign Commerce.

2508. Also, petition of the American Mining Congress, Washington, D. C., concerning House bills 5068 and 5069; to the Committee on Military Affairs.

2509. By Mr. MARTIN J. KENNEDY: Petition of Primrose House, Inc., New York City, urging support of House bill 5630; to the Committee on Interstate and Foreign Commerce.

2510. Also, petition of the Armand Co., Des Moines, Iowa, urging support of House bill 5630; to the Committee on Interstate and Foreign Commerce.

2511. Also, petition of the J. B. Williams Co., Glastonbury, Conn., urging support of House bill 5630; to the Committee on Interstate and Foreign Commerce.

2512. Also, petition of Strohmeier & Arpe Co., New York City, urging passage of House bill 5630; to the Committee on Interstate and Foreign Commerce.

2513. Also, petition of Maison Jeurelle-Seventeen, Inc., New York, urging support of House bill 5630; to the Committee on Interstate and Foreign Commerce.

2514. Also, petition of Ogilvie Sisters Sales Corporation, New York City, urging support of House bill 5630; to the Committee on Interstate and Foreign Commerce.

2515. Also, petition of the New York Pharmaceutical Co., Bedford, Mass., urging support of House bill 5630; to the Committee on Interstate and Foreign Commerce.

2516. Also, petition of the Kremersurban Co., Milwaukee, Wis., urging support of House bill 5630; to the Committee on Interstate and Foreign Commerce.

2517. Also, petition of the Chesebrough Manufacturing Co., New York City, urging support of House bill 5630; to the Committee on Interstate and Foreign Commerce.

2518. Also, petition of Ferd Mulhens, Inc., New York City, urging support of House bill 5630; to the Committee on Interstate and Foreign Commerce.

2519. Also, petition of Philadelphia Drug Exchange, Philadelphia, Pa., urging support of House bill 5630; to the Committee on Interstate and Foreign Commerce.

2520. Also, petition of the Revlon Nail Enamel Corporation, New York City, urging support of House bill 5630; to the Committee on Interstate and Foreign Commerce.

2521. By Mr. SCHIFFLER: Petition of Katherine Teets, secretary, the Ladies Auxiliary, urging the passage of the General Welfare Act (H. R. 2); to the Committee on Ways and Means.

2522. By the SPEAKER: Petition of the Economic Convention of Puerto Rico, asking the Secretary of the Interior of the United States to reduce to a nominal sum the indebtedness of certain farmers with the Hurricane Relief Commission; to the Committee on Insular Affairs.

2523. Also, petition of the Economic Convention of Puerto Rico, requesting the national administration and the Congress to hear the business and economic interests of the island in any question involving the extension of Federal laws to Puerto Rico; to the Committee on Insular Affairs.

2524. Also, petition of the Convencion Economica de Puerto Rico, San Juan, P. R., petitioning consideration of their resolution with reference to the Fair Labor Standards Act of 1938; to the Committee on Labor.

SENATE

MONDAY, APRIL 17, 1939

The Chaplain, Rev. Z. Barney T. Phillips, D. D., offered the following prayer:

Almighty God and Heavenly Father, who dwellest in all things, who art the Soul of the universe and the Light of the mind of man: We thank Thee that Thou hast so formed the world and made the human heart that we cannot escape Thee, for, even though we fail to discern Thy coming, Thou